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Project 30.3889

5 AUG 1963

MEMORANDUM FOR: Director, Office of Research and Analysis for Africa
Bureau of Intelligence and Research
Department of State
Washington 25, D. C.

SUBJECT: Transmittal of Special Study of the Transportation Systems of Southern Africa

1. In February of this year, you requested a special study in depth of the transportation systems of southern Africa. We have now completed a preliminary study in response to your request entitled, Economic and Strategic Capabilities and Vulnerabilities of the Transportation Systems of Southern Africa, dated 10 July 1963, and are enclosing 25 copies.

2. You will note in the Foreword of this study that other Offices of CIA have contributed to its preparation. The findings are considered to be preliminary, even though the statistical base is probably not too old to support the principal conclusions of the report. More current data, particularly on the Congo, will give us greater confidence in the findings, and make the study more useful for reference purposes. There is also a great need for current information on railroad freight rates and ocean freight rates, as applicable to the principal exports of various territories of southern Africa, and the impact of these rates on the competitive position of their exports in world markets.

3. A general up-dating of this study in the field, including comments on the various political, economic, and military estimates would be most valuable. Particular attention to the railroad and ocean freight rate aspects is required for definitive analysis. Undoubtedly INR and other headquarters components of the Department

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SUBJECT: Transmittal of Special Study of the Transportation Systems of Southern Africa

could also be of great assistance by reviewing and commenting on the present draft.

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4. I suggest that [redacted] of this Office continue to work with Mr. Lewis of your organization in bringing this preliminary study along to a more definitive state.

FOR THE ASSISTANT DIRECTOR, RESEARCH AND REPORTS:

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[redacted]
Chief, Economic Research Area

Enclosures:
25 copies, Economic and Strategic Capabilities and Vulnerabilities of the Transportation Systems of Southern Africa

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ADDRESS OFFICIAL CORRESPONDENCE TO THE SECRETARY OF STATE WASHINGTON 25, D. C.

28 FEB 1963

DEPARTMENT OF STATE
WASHINGTON

6332

February 19, 1963

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TO : [redacted]
Chief, Liaison and Collection Division
Office of Central Reference
Central Intelligence Agency

SUBJECT: Request for Special Study

If in a position to do so, the Agency is requested to undertake the preparation of a special study respecting strategic factors in central African transportation. The guidelines for such a study are contained in the attached copy of a memorandum from the Department's Office of Research and Analysis for Africa dated February 11, 1963.

No time limit is put on the completion of this study, since the Department is more interested in comprehensiveness than in speed.

Your cooperation will be appreciated.

Clyde W. Snider
Chief, Intelligence Liaison Branch
Bureau of Intelligence and Research

Enclosure:

Memo, INR/RAF to
INR/CS, Feb. 11, 1963

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27 FEB 1963

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INR/CS - Mr. Snider

February 11, 1963

INR/RAF - Robert C. Good

Request for Special Study Respecting Strategic Factors in Central African Transportation

Increasing nationalist activity in central and southern Africa highlights the vulnerability and growing strategic importance of transportation facilities in the area. Railroads, in particular, are both vital to the economic health of the area and popular targets for sabotage by guerrilla forces.

In order to establish a firm basis on which to estimate the impact of potential or actual disruption of such facilities, we should like to request that the CIA undertake a fairly extensive study focusing upon the following questions:

1) What is the economic and strategic (e.g., for troop movement) importance of the inter-territorial rail lines serving Angola, Mozambique, Federation of Rhodesia and Nyasaland, and Republic of South Africa? What would be the economic and strategic implications of a sustained disruption of traffic over these lines?

2) In the event of the disruption of any one line, would sufficient alternative facilities be available to sustain the present and projected traffic load? If not, what portion of present and projected traffic could be re-routed without major difficulty?

3) How significant are these lines as strategic levers -- i.e., to what extent could the local administrative power utilize control of the rail lines to force concessions from or retaliate against neighboring territories? (For example, Northern vs. Southern Rhodesia, Mozambique vs. Nyasaland, Angola vs. Congo-Katanga)

4) To what extent should we expect governments of the "white redoubt" (Portugal, Federation, South Africa) to assist each other in maintaining the integrity of transport facilities?

5) At what points are the lines most vulnerable to attack by a well-organized guerrilla force? Can we identify those portions of the rail complex, control of which might give a guerrilla force a decisive military advantage?

By way of illustration, we are interested in the following: How much income do Portugal and/or the Provincial administrations derive from the Beira and Benguela rail lines? What proportion (giving full statistical background) of Southern Katanga's and Northern Rhodesia's trade flow through Benguela? What is the projected capacity of the Congolese Voie Nationale to absorb Southern Katangan and Northern Rhodesian exports, thus relieving these areas of dependence on Portuguese facilities?

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In summary, it would be most useful to us to have a political-economic analysis, exploring the known economic factors in relation to such contingencies as are indicated in the preceding paragraph. We envision this as a fairly definitive study which would incorporate sufficient statistical data to provide benchmarks for future analysis.

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Analyst: [redacted] MS/TR

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10 July 1963

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EP 63-51

TRANSMITTAL OF DRAFT REPORT FOR REVIEW AND PUBLICATION

PROJECT NO. 30.3889

TO : Chief, Economic Research Area
THRU: Chief, Planning and Review Staff

TITLE, OR SUBJECT, OF REPORT

Economic and Strategic Capabilities and Vulnerabilities of the Transportation Systems of Southern Africa

CONTRIBUTING ANALYST(S)

[redacted]

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THIS SPACE FOR USE OF DIVISION AND BRANCH CHIEFS ONLY

THE ATTRIBUTION OF THIS REPORT TO AUTHOR IS | | APPROVED | | DISAPPROVED

COMMENTS

1. It is recommended that the attached be published as a preliminary EP. Please see "Foreword".

2. Working level coordination in process.

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ECONOMIC AND STRATEGIC CAPABILITIES AND VULNERABILITIES OF THE TRANSPORTATION SYSTEMS OF SOUTHERN AFRICA (U)

CIA/RR EP 63-51

(ORR Project 30.3889)

10 July 1963

WARNING

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

CENTRAL INTELLIGENCE AGENCY

Office of Research and Reports

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FOREWORD

This preliminary study has been undertaken by the Office of Research and Reports with the assistance of the Office of Current Intelligence at the request of the Department of State. The preliminary major findings and conclusions are concurred in by the staff of the Office of National Estimates. It is understood that the Department of State will disseminate this draft study to the field for additional review, emendation and updating, after which the Central Intelligence Agency will be requested to produce a definitive report on this subject.

The study is concerned primarily with the Portuguese provinces of Angola and Mozambique, the Republic of the Congo (Leopoldville), the Federation of Rhodesia and Nyasaland and the Republic of South Africa. Tanganyika is considered because an alternate transportation route for the trade of the Congo Republic and the Federation exists through that country. The high commission territories of Basutoland, Bechuanaland and Swaziland are included because of their economic dependence on South Africa and their transportation relationships with that country.

Department of State dispatches, official reports of the various territories, United Nations' publications, and military estimates produced by the

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Department of Defense [redacted] constitute the bulk of the source material used for the study. The specific sources are available in the files of this Office.

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THE ECONOMIC AND STRATEGIC CAPABILITIES AND VULNERABILITIES OF THE TRANSPORTATION SYSTEMS OF SOUTHERN AFRICA

Summary and Conclusions

The white-dominated territories* of Southern Africa, through their command of the transportation outlets to the sea, derive considerable economic and strategic advantages over the independent and soon-to-be independent non-white dominated neighboring territories.** These advantages result from the high dependence of the market economies of both the non-white and the white territories on mineral and agricultural exports, and on the ability of the white-dominated territories to deploy and support substantial military and security forces on the inter-territorial and other transportation routes in Southern Africa. The white-dominated territories could affect the economies of the other territories materially by the imposition of embargoes on export and import traffic moving currently over the inter-territorial railroad system. This system, plus the roads, also has the capability of providing considerable mobility and substantial logistic support for military and security forces for use in combating uprisings, terrorist activities, and sabotage operations which may be inspired by African nationalism.

Although the economies of the white as well as the non-white dominated territories are highly vulnerable to adverse seizure and sabotage of the transportation system, particularly the railroads, several years will pass before non-white supported guerrilla forces will be able to hold temporarily parts of the inter-territorial transportation system. Small bands of well-trained saboteurs may soon have the capability, however, to operate against the railroad systems in Angola, Southern Rhodesia, Mozambique, and

*Angola, Southern Rhodesia, Mozambique and the Republic of South Africa.
** The Republic of the Congo (Leopoldville), Northern Rhodesia, and Nyasaland.

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the Republic of South Africa, possibly supported by the Congo, Northern Rhodesia, Nyasaland and other non-white African countries. At least a year or two will pass, nevertheless, before such bands will possess the skill to damage critically the key railroad routes.

The territories of Southern Africa possess an area roughly equal to the continental United States and a population one-third as large. The almost four million white residents control most of the modern economic enterprises which are based primarily upon the output of extractive industries. Agricultural products, minerals and metals, moreover, account for three-fourths or more of export earnings for each of the countries and territories in the area. The populous, developed countries of the West constitute the most important markets and sources of supply. Trade with Western Europe alone involves nearly 60 percent of the exports and imports, and when trade with United States and Japan is also considered, almost 75 percent of exports and imports are accounted for. Only an estimated 10 to 12 percent of the foreign trade of the territories of Southern Africa is carried on with other countries of the area. Transportation within the area is underdeveloped except in the Republic of South Africa, but is more than adequate to support the market economies in their present stage of development. Only 10 percent of the 58 million native non-white Africans are involved in the market economies; the vast majority of the economically active Africans are engaged in subsistence agriculture.

The territories in the so-called "white redoubt" (the Portuguese provinces of Angola and Mozambique, Southern Rhodesia and the Republic of South Africa) have

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overcome long-standing antipathies and have begun to cooperate in the defense and intelligence fields as territories elsewhere have come under non-white control and as African nationalism inside their own boundaries has become more militant. There has been no indication, however, that they have given much thought to coordinated economic sanctions, and each government probably would embargo traffic with the interior only if directly and severely provoked by the non-white territory in question. If the "white redoubt" were to combine in an embargo of railroad traffic against the Congo, Northern Rhodesia and Nyasaland, the effect on the market economies of the latter territories would be devastating. The Republic of South Africa is a special case, for this country is not dependent on trade with the non-white territories and is not geographically situated so as to be able to impose an effective embargo on traffic with these territories. The vulnerability of South Africa to external pressures stems principally from the importance of trade with the West, primarily the United Kingdom and the United States.

The Portuguese provinces of Angola and Mozambique, although only nominal producers of minerals, lie astride major railroad routes over which the minerals of the Congo and Northern Rhodesia are exported to world markets. If the Portuguese provinces were to impose an embargo on traffic with the Congo and all or part of the Federation of Rhodesia and Nyasaland, the consequences for the market economies of the latter territories would be serious. By means of an embargo of traffic with Northern Rhodesia, Southern Rhodesia, acting alone, could effectively deny the railroad capacity needed for one-third of Northern Rhodesia's export-import traffic. The reluctance of the white-dominated territories to act together in imposing an embargo on traffic or to act independently will be influenced to some extent by the considerable revenues obtained from the transit traffic of the non-white territories and to a lesser extent by the trading relations which

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exist between the two camps.

The fact that the vast majority of the native non-white Africans are engaged in subsistence agriculture could make the African nationalists willing to sacrifice the interests of the market economies of the area, and also poses problems in the formulation of goals for African nationalism. If African nationalism should have the choice to adopt as its goal the preservation of the market economies and the introduction of more and more of its members into these economies, it would not be rational to take actions which would invite embargoes on the traffic which normally moves over the inter-territorial transportation system or to support sabotage and guerrilla operations against this system. On the other hand, if African nationalism should by chance or by design adopt as a goal the complete control over all of Southern Africa in the shortest possible time regardless of economic consequences, seizure and sabotage of the inter-territorial transportation system will become an attractive target to use in furthering this goal.

In the event of a major uprising, the military and security forces of the white-dominated territories will be unable to maintain the integrity of the some 20,000 miles in the railroad system, but at the same time they will be able to operate against saboteurs and insurgents with only a slight reduction in capability even though the transportation system is no longer able to support normal economic activity. Thus the chief impact of a major uprising which succeeds in interrupting transportation service would fall on the market economies of the region, and it could also be serious enough to disrupt relations with the West. In this event normal trade would be interrupted from time to time and private investments required for the further development of the territories would probably be drastically reduced.

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I. Introduction

A. Political Considerations

The area encompassed in this report* includes one independent, white-dominated republic (South Africa), one white-dominated British colony with a long history of self-government (Southern Rhodesia), two British protectorates whose governments are dominated by African nationalists (Northern Rhodesia and Nyasaland), two Portuguese "overseas provinces" whose white-controlled governments are closely supervised from Lisbon (Angola and Mozambique), one independent but chaotic African republic (Congo-Leopoldville), one territory governed by South Africa under a League of Nations mandate (South-West Africa), and three backward high commission territories which are governed by Britain but are economically dependent on South Africa (Basuto-land, Bechuanaland, and Swaziland). The two Rhodesias and Nyasaland are joined at present in the Federation of Rhodesia and Nyasaland, but negotiations to begin the Federation's dissolution are underway. The whites in Southern Rhodesia are trying to persuade the British to grant them independence at the same time as the Federation's two African territories; Britain is holding out for greatly increased African representation in the colony's legislature but has to move cautiously for fear Southern Rhodesia will declare its independence unilaterally.

As territories elsewhere on the continent have come under African control and as African nationalism inside their own boundaries has become more militant,

*Includes: principally Angola, the Republic of the Congo (Leopoldville), the Federation of Rhodesia and Nyasaland, Mozambique, and the Republic of South Africa. The high commission territories and Tanganyika are covered predominantly in Appendix B and Appendix C.

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the territories in the so-called "white redoubt" (South Africa, Southern Rhodesia, and the Portuguese territories) have overcome long-standing antipathies and now hold discussions in the defense and intelligence sectors. Formal treaties of cooperation -- much less such widely bruited amalgamations as that of Southern Rhodesia with South Africa -- are unlikely to occur. South Africa, whose strong and diversified economy includes a fairly substantial armaments industry, might furnish economic and military assistance, including "volunteers", to white governments to the north in an emergency; it probably would send uniformed troops out of the country only if its interests were directly affected, such as through the seizure of Lourenco Marques, and if it thought there was a chance of turning back an African advance. The other territories of the "white redoubt" lack the economic and military strength to indulge in large-scale military activity beyond their borders, although there is a remote possibility that Southern Rhodesia would feel constrained to intervene militarily if the port of Beira in Mozambique were endangered by African nationalist forces.

In their control of outlets to the sea, the white territories have considerable leverage over their independent and soon-to-be independent African neighbors. There has been no indication, however, that they have given much thought to coordinated economic sanctions, and each government probably would embargo traffic from the interior only if directly and severely provoked by the African territory in question (for instance, if the territory provided a safe-haven for continuous insurgent action which would win international notoriety for an insurgent group).

Insurgency and sabotage exists or is a possibility in much of the area. The Angolan rebellion has persisted for two years in the northwestern corner of the

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territory; its chances of spreading are not good over the short term, but even at its present level it constitutes a drain on the Portuguese economy. A similar outbreak could occur in Mozambique, although Mozambique nationalists face serious problems of training and unity of a type which have long plagued the Angolans. Sabotage has occurred sporadically in South Africa and has also broken out in Southern Rhodesia. Both governments, by harsh laws and rigid enforcement, have sharply cut the number of incidents. Nevertheless, underground organizations in South Africa still probably possess some sabotage capability and saboteurs based in Northern Rhodesia might be able to do a certain amount of damage in Southern Rhodesia. Sabotage in Southern Rhodesia would be more likely if the current talks between the British and Southern Rhodesian governments break down. Sabotage forays from the Congo against the railways in Angola or from Nyasaland against the railway across Mozambique to Beira are possible. In both cases, the African governments in the host territories have been compelled to be cautious in their encouragement of the activities of anti-Portuguese militants, and the latter have shown no sabotage capability. Africans from the territories of the "white redoubt" are undergoing sabotage training abroad, however. Their training may be stepped up as a result of the May 1963 African "summit conference" in Addis Ababa, which took a militant stand against the remaining white and colonial territories and urged black African states to take positive measures to aid African nationalists from these areas. The Nationalists' ability to disrupt the market economies of the various territories is therefore likely to increase, although it will be several years before they constitute a serious challenge to the present governments.

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B. The Economy of the Area

The countries in Southern Africa possess an area roughly equal to the continental United States and a population about one-third as large. The almost four million white residents, i.e., those of European progeny, control most of the modern economic enterprises in the area. In contrast, only 10 percent of the 58 million native Africans are involved in the monetary sector; the vast majority of economically active Africans are engaged in subsistence agriculture. The Republic of South Africa has the highest population density of any major political unit in the area; Angola has the lowest. Table 1 presents the population, area and density of population in each of the territories.*

The economies of the area are based primarily upon the output of extractive industries; this is true even for South Africa, which has a substantial and diversified manufacturing industry. Moreover, extractive industries also form the backbone of foreign commerce: agricultural products, minerals, and metals account for three-fourths or more of export earnings for each of the countries and territories in the region.

Southern Africa produces significant quantities of strategic minerals as shown by the following tabulation.

Southern Africa
Production of Selected Minerals
Thousand Short Tons - 1961

	Production	Percent of Free World Production
Copper	1,054.0	26
Manganese	858.0	29
Chrome	721.0	65
Vanadium	2.2	25
Cobalt	11.0	59
Gold	0.815	69

* Page 11 below.

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The populous developed countries constitute the most important markets and sources of supply for Southern Africa. Trade with Western Europe alone involves nearly 60 percent of the exports and imports of the region. When trade with the United States and Japan is also considered, almost 75 percent of exports and imports are accounted for. The relative importance of Western Europe and the United States in the total trade of selected countries is shown below.

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Percent of Total Trade with Western Europe
and the United States in 1961 for
Selected Territories*

	Exports	Imports
Angola		
Western Europe	66	79
United States	21	10
Federation		
Western Europe	72	46
United States	1	5
Mozambique		
Western Europe	56	67
United States	5	7
South Africa		
Western Europe	54	55
United States	8	18

The above data illustrate the almost complete dependence of this area on trade with West European powers and the United States, and the lever that these trading relations could represent against the market economies in the various territories. They also point out, however, that the lever held by the United States alone is not great. Moreover, as will be discussed more fully below, the existence of a transportation network connecting the various territories in the area and the established regional trade ties would probably make ineffective actual or threatened cessation of trade on the part of a group of western powers with a single territory in the area. The effect of such action could be circumvented by the simple expedient of having a close neighbor assume the role of trade agent.

An estimated 10 to 12 percent of the foreign trade of countries in southern Africa is carried on with other countries in the area. The relative importance of

* The Republic of the Congo is omitted from the tabulation because 1961 data are not available for this country. In 1959 Western Europe accounted for 76 percent of the Congo's exports and the United States, 11 percent. In the same year Western Europe supplied 67 percent of the Congo's imports and the United States, 13 percent.

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intra-regional trade for selected countries is shown below.

Intra-regional Trade as a Percent of
Total Trade in 1961

Country	Exports	Imports
Angola	7	4
Congo (Leopoldville)	34	21
Federation	10	34
Mozambique	10	16
South Africa	12	6

Quantitatively, the largest trade accounts are those between South Africa and the Federation, and between South Africa and the Congo.

Within the area under consideration, economic sanctions of a scope that would be politically possible may not create severe economic disruptions, but insurgent action by African nationalist groups might well prove more debilitating. The abrupt decline in investment and the consequent economic recession that followed the Sharpesville riots in 1960 suggest that a far more serious crisis in confidence could result from an organized and sustained insurgent campaign.

The prime casualty of prolonged insurrection would be the market sector, which provides the economic life blood of the white residents. The native non-whites who rely heavily on subsistence agriculture, are in a far better position to survive even the most severe economic repercussions.

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Table 1

Population, Area, and Density of Population in Southern Africa [a]

Territory	Population: Non-White (Millions)	Population: White (Thousands)	Population: Total (Millions)	Area (Square Mi. Thousands)	Population per Square Mile
Angola	4.6	200.0 [b]	4.80	480.0	10.0
Congo (Leopoldville)	13.8	140.0	14.0	900.0	15.5
Federation of Rhodesia and Nyasaland	9.18	310.0	9.49	484.0	19.6
Northern Rhodesia	2.50	77.0	2.58	288.0	9.0
Southern Rhodesia	3.70	223.0	3.93	150.0	26.2
Nyasaland	2.97	9.40	2.98	46.0	64.8
Mozambique	6.501	99.0	6.60	300.0	22.0
Republic of South Africa	13.0	2,800.0	15.8	472.0	33.5
South-West Africa	.446	78.7	.525	320.0	1.6
Bechuanaland	.319	1.0	.320	220.0	1.4
Basutoland	.600	2.0	.602	11.70	51.5
Swaziland	.269	1.0	.270	6.70	40.3
TOTAL	57.9	3,940.0	61.8	3,680.0	16.8

a/ All data are rounded to three significant figures. Totals and densities are derived independently from unrounded figures and do not always agree with rounded data shown.

b/ Includes some mulattoes.

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C. Transportation of the Area

Transportation service within Central and Southern Africa is provided predominantly by several interconnecting, narrow-gauge railroad systems and some ten short, disconnected, narrow-gauge railroad lines.* Over 95 percent of the long-haul and intercity freight and a substantial share of the passengers are hauled by the railroads, most of which are owned by the governments of the various territories. All of the major railroads are operating at a profit. The railroads in the interconnected system consist of about 20,000 route miles, about double the length of the Southern Pacific Railroad in the United States, and more than a third longer than the Japanese National Railroad System. Almost two-thirds of the route mileage in the area is under the jurisdiction of the Republic of South Africa. Most of the rolling stock, about 3,700 locomotives, 133,000 freight cars, and 7,100 passenger cars in the area, is 3' 6" gauge and interchangeable between systems. In addition, there are about 600 electric locomotives which are not interchangeable.

The road network consists of 10,000 miles of paved, all-weather roads, 60,000 miles of gravel-surfaced, and another 350,000 miles of improved earth roads and tracks -- a total road mileage equivalent to that found in the States of Alabama, Arkansas, Georgia and Texas, but much inferior in quality. There are now at least 1,250,000 automobiles, 400,000 civilian motor trucks, and 24,000 buses, over three-quarters of which are registered in the Republic of South Africa. The trucks and buses are used primarily to provide local service and service to areas not served by the railroads.

* The gauge of the interconnected railroad system is 3' 6". The gauge of the railroads in the United States and in Western and Eastern Europe is 4' 8 1/2". Japan is the only modern, industrialized country that relies exclusively on a railroad system built to the gauge of 3' 6". The disconnected railroad lines are of varying narrow gauge.

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Inland waterways are important only in the Republic of the Congo where, during normal times, an integrated inland waterway and railroad network is the principal form of transportation for long distance movements of freight. Coastal shipping is important for Angola and Mozambique but only small tonnages are moved by this form of transportation. There is only one pipeline in the area, a 200-mile double line of small diameter which carries gasoline and diesel fuel from the port of Ango Ango to Leopoldville in the Republic of the Congo. The Republic of South Africa has the bulk of the 11 well-developed seaports which have high capacity and cargo activity. In addition, there are nine seaports of secondary importance in the area as a whole. Some excess capacity exists in all of the ports above the requirements for current imports and exports. See Table 2 for the tonnage of cargo handled by the principal ports of Southern Africa.*

At least 30 different shipping companies provide liner service between Southern Africa and the United Kingdom and continental Western Europe including flag carriers of the United Kingdom, Belgium, the Netherlands, France, Sweden, Norway, West Germany, Ghana, Nigeria, and South Africa. In addition, a large number of carriers under various flags provide both liner and tramp service between Southern African ports and various other countries of the Free and Communist world. Three United States flag carriers provide liner services between the ports of Southern Africa and the United States.

Seven airlines, local to the area, maintain service between the principal inland cities and seaports. The South African Airways provides jet airline service to Europe, the Middle East and Australia. International Free World air carriers also provide

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service to various cities in the area, and Aeroflot, the Soviet carrier, has recently attempted to establish service to Stanleyville in the Congo. Nine of the 280 airfields in the area are capable of handling jet transports, but the remaining fields are suitable for at least DC-3 type aircraft. There are only slightly over 100 transport aircraft of all types owned by the airlines of the area.

The development and use of transport varies considerably from one zone to another in the area under consideration. See Table 3 for the route miles of railroads and improved roads in the territories of Southern Africa and the density by population and area.* In the northern tier -- Angola and the Congo (Leopoldville)

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-- and considering Tanganyika for this purpose for it provides an alternate route to the sea for the Congo -- the rail and road systems are not well developed. Normally, however, they are able to support the needs of the economy and there is some excess in capacity in all forms of transport including port operations. The railroads have adequate and reasonably well-maintained equipment, although the roadbeds are of relatively light construction and do not support heavy loads and high speed trains. Currently, in the Congo, the integrated rail and inland water network has been disrupted because three railroad bridges were damaged some time ago and have not yet been restored to support traffic. Moreover, motor trucks and roads, as well as the railroads, have deteriorated because of little or no maintenance. The lack of spare parts has also immobilized a large number of motor trucks. Transportation in the Congo, therefore, is currently not supporting the economy. The rail links to Angola and Northern Rhodesia are well-maintained but the railroad to Lake Tanganyika, where steamers and barges connect with the Tanganyika railroads providing access to the Indian Ocean, is not being used extensively.

The middle tier, consisting of the Federation -- Northern Rhodesia, Southern Rhodesia and Nyasaland -- and Mozambique, has heavier and well-maintained railroad systems with some advanced technology installed to increase capacity. Most of the freight traffic in this tier, taken as a whole, is internal, but the economy is supported largely by railborne exports to the seaports of Mozambique. For practical purposes, there is only one good main highway which extends in a north-south direction with a branch leading to the Mozambique coast. A small amount of local inland waterway traffic moves along the Zambezi River on the separate stretches which are separated by waterfalls and cataracts.

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The final tier is represented by the transportation under the control of the Republic of South Africa. Some examples of modern technology are apparent on the railroad system, but for the most part the technology of the system is comparable to that which existed on the U. S. railroads in the early 1930s. Even so, the railroads are well-built, well-maintained, and are capable of supporting heavy loads moved at relatively high speeds. The main divisions on the system are seldom overloaded even at seasonal peaks in traffic. The road system, the other major form of transportation, is also relatively well-developed and maintained. Road freight and passenger services, however, are regulated so that they supplement rather than compete with the services provided by the railroad system.

Data on the relative development of railroad transportation in the territories of Southern Africa are presented in Table 4.* These data and the data contained in Table 3** also characterize the development of railroads in the three tiers mentioned above. The northern tier has less railroads per area than that found in the other two tiers. Even in normal times, the freight traffic density per route mile of railroad is less than that found to the south. The low ratio of freight cars to locomotives points up the light construction of the railroads where short trains with small loads are operated. The progressive improvement of the ratios in areas to the south emphasize the existence of better track, equipment and operations in the middle and final tiers.

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Table 2

Cargo Handled by the Principal Ports of Southern Africa a/
(Thousand Short Tons)

Port	Inbound	Outbound	Transshipped	Total
Durban	4,584	5,888	139	10,611
Lourenco Marques	3,221	4,598	N.A.	7,819
Cape Town	3,047	2,293	43	5,883
Beira	1,624	2,003	N.A.	3,627
Port Elizabeth	1,553	1,047	8	2,608
Lobito	N.A.	N.A.	N.A.	1,890
Matadi	927	598	N.A.	1,525
East London	999	354	3	1,356
Walvis Bay	316	589	N.A.	905
Luanda	N.A.	N.A.	N.A.	848
Mossel Bay	149	15	N.A.	164
TOTAL	N.A.	N.A.	N.A.	36,736

a/ Data are for the highest yearly tonnage recorded during the period 1957 - 1962.

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Table 3

Route Miles of Railroads and Improved Roads a/ in Southern Africa
and the Density by Population and Area

Territory	Route Miles of Railroads					Route Miles of Roads		
	Interconnected System	Other	Total	Per 10,000 Population	Per 100 Square Miles	Total	Per 10,000 Population	Per 100 Square Miles
Angola	879	907	1,786	3.72	0.37	8000	16.67	1.67
Congo (Leopoldville)	2260	927	3,185	2.28	0.35	25400	18.14	2.82
Federation of Rhodesia & Nyasaland	2568	Nil	2,568	2.7	0.52	16250	17.10	3.36
Northern Rhodesia	666	Nil	666	2.56	0.23	3000	11.54	1.04
Southern Rhodesia	1586	Nil	1,586	4.07	1.06	12700	32.56	8.47
Nyasaland	316	Nil	316	1.05	0.69	650	2.15	1.41
Mozambique	1044	667	1,711	2.59	0.57	5800	8.79	1.93
Republic of South Africa	11754	440	12,194	7.72	2.58	101000	63.92	21.40
South-West Africa	1453	Nil.	1,453	26.91	0.46	4000	80.00	1.25
Bechuanaland	400	Nil.	400	13.33	0.18	2500	83.33	1.14
Basutoland	Negligible	Nil.	Negligible	Negligible	Negligible	900	15.00	7.69
Swaziland	140 b/	Nil.	Nil.	Nil.	Nil.	1100	40.00	16.
Total	20498	2941	23297	4.18	.703	181,300	34.14	20.29

a. Includes roads surfaced with bitumen, or consisting of gravel or improved earth.
b. About 140 miles currently under construction.

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Table 4

Relative Development of Railroad Transportation in the Territories of Southern Africa

Territory	Railroad Route Miles	Locomotives (Units)	Freight Cars (Units)	Annual Ton Miles of Freight a/ (million)	Route Miles per Locomotive	Freight cars per Route Miles	Ton Miles of Freight per Mile of Route	Ratio of Freigh cars to Locomotives
Angola	1786	180	2405	1,130.1	9.92	1.35	632,754	13.36
Republic of the Congo b/	3100	464	8615	1,985.4	6.68	2.78	640,452	18.56
Federation of Rhodesia & Nyasaland	2968	456	12,630	5,025.6	6.51	4.26	1,693,261	27.70
Northern Rhodesia	666	N.A.	N.A.	N.A.	-	-	-	-
Southern Rhodesia	1986 c/	N.A.	N.A.	N.A.	-	-	-	-
Total Rhodesias	2652	424	12,247	4,934	6.25	4.62	1,860,482	28.88
Nyasaland	316	32	383	91.6	9.87	1.21	289,973	11.96
Mozambique	1711	220	5568	1,386.4	7.77	3.25	810,391	25.31
Republic of South Africa d/	13207	3300	110,000	25,600	4.00	8.33	1,938,366	33.33
Total	22,772	4620	139,218	35,127.5	4.60	6.25	1,560,000	30.00

a. Highest annual freight traffic in last five years.
b. Excludes Boma-Tchela railroad, 85 miles.
c. Includes 400 miles in Bechuanaland.
d. Includes all 3 feet 6 inch gauge railroads in South Africa and South West Africa, but excludes 440 miles of lesser gauge.

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II. The Economic and Military Significance of the Transportation Routes of the Area *

A. Angola

1. Economic Significance of the Transportation System

The transportation system of Angola is not well developed and is designed primarily to provide routes for the export of Angolan production rather than to facilitate the over-all growth and development of the domestic economy. Almost all of the transportation routes are oriented in an east-west direction. The north-south movement of goods is virtually impossible in the eastern part of the country and these movements are largely dependent upon coastal shipping in the western part of the country.

The railroads are the backbone of the transportation system and provide the only significant means for the movement of commercial freight traffic between the major producing and consuming areas and between the seaports and the interior of the country. The railroads consist of four basic narrow-gauge, single track, unconnected routes which are described in detail in Appendix C. All railroads are oriented in an east-west direction, a direction designed primarily to facilitate the export of Angolan products and, in the case of the Benguela Railroad which is the only international route, to earn the considerable revenues from transit traffic from and to the Congo and Northern Rhodesia.

The Benguela Railroad Company is a privately owned enterprise registered

* See Appendix C for a detailed analysis of transportation in the various territories. For details on the military and security forces and logistic requirements for the forces in the various territories, see Appendix D.

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in Portugal and with headquarters in Lisbon. The African office for management of the railroad is in Lobito, Angola. Stock in the railroad company consists of 3,000,000 shares with a value of $23,073,600. Almost 90 percent of the stock, 2,693,750 shares, are owned by Tanganyika Concessions, Ltd., which is registered in the United Kingdom but with headquarters in Salisbury, Southern Rhodesia. About 10 percent of the stock is owned by the Portuguese government and the remaining shares, less than one percent, are held by 15 private individuals in varying amounts. The railroad is operated on a 99-year concession granted to the railroad by the Decree of 28 November 1902.*

The Benguela Railroad provides the shortest and the most economical route between the southern part of the Congo and the Atlantic Ocean. About 75 percent of the railroad's revenues are believed to be derived from transit traffic of freight and passengers between Katanga and Northern Rhodesia and the Angolan port of Lobito. Revenues from mineral traffic alone from the Congo and Northern Rhodesia in 1960 and 1961 represented 45.6 and 35.6 percent respectively of the total revenues of almost 21 million dollars earned by the Benguela Railroad during each of those years. The Angolan government does not subsidize the Benguela Railroad and neither does it guarantee a profit to the railroad. However, government policy prohibits competition from other modes of transport which tends to insure profitable operations. As a concessionaire, the Angolan government receives a share of the

* Tanganyika Concessions, Ltd. also obtains royalties from the exploitation of mineral deposits by the Union Miniere du Haut Katanga.

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profits of the railroad. It appears, therefore, that a diversion of Congo traffic away from the Benguela Railroad would mean not only financial distress for the railroad company but a considerable loss of revenue to the Angolan government unless, of course, the Benguela Railroad could obtain a sufficient amount of traffic from another source, say Northern Rhodesia, to offset the loss of Congo traffic. Apart from the financial effects on the railroad, the loss of the transit traffic normally handled by the railroad to and from the port of Lobito would result also in a considerable financial loss in port fees. Over 40 percent of the traffic through Lobito is Congo and Rhodesian transit traffic. Moreover, the loss in railroad and port tonnage and revenue would result in a considerable reduction in employment in the market economy.

Apart from the importance of the Benguela Railroad from an international viewpoint, the railroads of Angola are the principal carriers of export goods. Agricultural products account for 60 percent and minerals 25 percent of the value of Angola's exports. The producing areas are in the interior of the country and the railroads carry almost all of the export goods produced to the ports. Inbound traffic to the interior of the country is very light and, in the case of the Benguela Railroad, represents about one-sixth of the total traffic carried including international transit traffic.

An examination of the Angolan budget for 1962 reveals that about 13

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percent of the total government revenues are derived from receipts from ports, railroads and other transportation.

Excluding those areas of Angola which are served by the railroads or which are near the sea, large areas of the country are entirely dependent upon earth-surfaced roads and tracks as the only means of freight transport. There are 22,000 miles of roads in the country, a density of about 1.67 miles per 100 square miles of area, and about 16.67 miles per 10,000 head of population. In the southeastern area referred to by the Portuguese as the "fin do mundo" or end of the world, there are no roads at all. The only north-south roads are in the western third of the country and only about 100 miles of these are paved. During the rainy season which lasts from November until May, the major portion of the road net becomes virtually impassable to commercial motor vehicles and some areas are completely isolated for days at a time. Motor vehicles registration amounts to about 43,000 vehicles or 1 to 107 head of population.

There is no developed inland waterway system as most of the streams are remote from the centers of the economy and serve only as local transport arteries for primitive river craft. In the absence of north-south railroads or even adequate north-south highways, a considerable amount of traffic is carried by coastal vessels and in 1962, coastal traffic through the port of Lobito alone amounted to almost 100,000 tons.

The three principal seaports of Luanda, Lobito and Mocamedes are fairly well developed and adequate for the current needs of the economy. Lobito is rated

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among the best ports on the Atlantic coast of Africa and it is currently operating at well below capacity. Its capacity to handle mineral ore is believed to be at least 100 percent greater than the ore traffic currently moving through the port.

The one international airport is at Luanda on the Atlantic coast. Practically all of the other airports are located in the western half of the country. Some of these have landing strips 6,500 feet in length and the rest of the country is served by smaller airports with limited capacity capable of handling DC-3 and smaller liaison type aircraft. The single airline in Angola (DTA) owns 14 aircraft of which three are DC-3s and the remainder are smaller.

2. Military Significance of the Transportation System

The transportation system of Angola is believed to be capable of supporting a far greater military force than the Portuguese will be able to muster in the country in the foreseeable future. This is particularly true of the railroads and the ports. There would be some difficulty in supplying large forces in the areas remote from the railroads during the rainy season because of the inadequacy of the road net; however, the effects of bad weather are not as significant to a military force with four-wheel drive, military-type vehicles as it is to commercial type vehicles. Nevertheless, the employment of engineering troops capable of repairing and maintaining roads and road bridges would be necessary to insure uninterrupted movement of heavy motor vehicles.

The Portuguese army strength in Angola is [redacted] in excess of 40,000 troops. Air Force personnel number about 1,700, and the Angolan Naval Command has

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about 400 officers and men. In addition, there is a local civilian volunteer corps which provides defense for individual plantations in the part of Angola where insurgents operate.

The general construction of the railroads is sound and the maintenance of routes and equipment is good. The Benguela Railroad is the most important railroad route because it traverses the very heart of the country from Lobito on the Atlantic coast to Dilolo on the Congo border, a distance of 838 miles. The estimated through put capacity of the route for military traffic is 1,800 tons per day which is sufficient to supply a Portuguese security force of 144,000 men.* Moreover, the present commercial traffic flow is heavily weighted from east to west at a ratio of 5 to 1. As a consequence, much of the eastbound traffic is made up of trains of empty freight cars. It is therefore apparent that a major portion of the military supplies could be moved without seriously disrupting commercial traffic over the route.

The estimated capacity of the Luanda Railroad which runs from the port of Luanda to Malanje, a distance of 265 miles, is 960 tons per day, an amount sufficient to support a force of about 77,000 at Malanje. The estimated capacity of the Mocamedes Railroad from Mocamedes to Vila Serpo Pinto, 469 miles, is about 1,160 tons per day, an amount sufficient to supply a force of about 93,000. Commercial traffic flow over these routes is also heavily weighted from east to west.

* Computed on the basis of a logistic requirement of 25 pounds per man per day.

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The capacities of the ports to handle military supplies using ship's gear alone is even greater than the capacities of the railroads which serve them.

The highway which parallels the Benguela Railroad from Lobito to the Congo border is capable of handling about 550 tons per day which is adequate to supply a Portuguese security force of about 44,000 troops. Another example of road route capacity is the route leading north from the port of Luanda to the Congo border near Matadi, passing directly through the area of recent rebel activity. In fair weather, the route is capable of sustaining about 140 vehicles carrying three tons each per day. This is adequate to support a force of about 33,000 troops. However, sections of the route may become virtually impassable during the rainy season to anything other than four-wheel drive vehicles, and difficult even for them.

The international airport at Luanda has considerable military significance particularly for the airlift of troops from Portugal, and for airlifting troops' supplies to the other airfields in the country from which supplies can be further distributed by air drops.

B. Congo (Leopoldville)

1. Economic Signficance of the Transportation System

Prior to independence in 1960, the transportation system of the Congo was well-organized and managed, and adequate for the needs of the economy in the stage of economic development existing at that time. The system was a good example of coordinated railroad and inland waterway system with one mode complementing but not competing with the other. Public motor vehicle transport served primarily as

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a feeder service to the railroads and inland waterways although many of the larger farms and even some mines operated considerable fleets of motor vehicles over private and public provincial roads to deliver their production to markets and to railheads and river ports. The disturbed conditions which have existed since independence in 1960 have not changed the basic pattern of the transportation system, but the wanton destruction of railroad bridges, inadequate maintenance of route facilities, rolling stock and locomotives, a shortage of spare parts, and an almost complete disregard for highway maintenance, have reduced the system to an uncoordinated, disconnected and relatively inefficient system.

The Congo River and its tributaries forms the backbone of the system with railroads providing by-passes for unnavigable portions of the river. The main network of railroads is in the southern area of the country where through rail routes provide connections with the railroads of Angola and the Atlantic Ocean, and with the Rhodesias and through Mozambique or South Africa to the Indian Ocean. Also, the BCK Railroad, running from the border of Northern Rhodesia, connects with the Congo River services at Port Francqui which, in turn, connects with a railroad at Leopoldville running to Matadi, the principal seaport on the lower Congo River. This route is commonly known as the "Route Nationale" and is the only through route entirely within the Congo giving access to the sea for traffic from and to the industrial area in Katanga Province. The length of the Route Nationale from Elisabethville to Matadi is 1,713 miles. At present, damaged railroad bridges prevent through traffic on the route and almost all export-import traffic from Katanga and

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parts of Kasai Provinces is routed over the Angolan Railroad to the Atlantic Ocean port of Lobito. However, small quantities of freight from Katanga Province are also moving over the Rhodesian railroads to Indian Ocean ports.

In 1961, the first full year after independence, the transportation system carried only 60 percent of the tonnage carried in 1959, the last pre-independence year. Moreover, traffic through the port of Matadi dropped from 1.5 million tons in 1959 to only 850 thousand tons in 1961, a reduction of more than 45 percent. The decline in freight traffic no doubt reflects, to some degree at least, a concurrent decline in the over-all economic posture of the country.

An effort is currently underway to repair damaged bridges on the railroads in Katanga Province and thus restore service over the "Route Nationale", and it is probable that the route will be restored in the late summer of 1963. However, other problems will continue to plague the Congolese for some time to come. Silting of the lower Congo River between Matadi and the sea is a serious problem, and the Congolese have not been able to obtain a sufficient supply of spare parts to adequately maintain the dredges used to keep the channel clear. If this is not done, access to the sea will be limited and large petroleum tankers may not be able to deliver fuel, all of which is imported. Channel markers and buoys on the Congo River above Leopoldville have not been maintained and some have even been removed. In many areas, jungle growth is reportedly taking over some of the roads in rural areas. A shortage of spare parts and general neglect of maintenance has resulted in many motor vehicles being withdrawn from service. In general, it will probably

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take a long time, even years, to restore the transportation system to its pre-independence state of efficiency.

2. Military Significance of the Transportation System

When the transporation system is functioning properly, the access routes to the Congo and the railroad and river routes leading to the principal population centers within the country are capable of supporting a far greater military force than would conceivably be deployed in any given area in the immediate future. Some difficulty will be encountered in rural areas remote from the railroads and the principal inland waterways because of the inadequacy of the highway net. This is particularly true during the rainy season, not only because the road surfaces are washed away but also because of the washing away of primitive timber bridges which predominate in the remote areas. Therefore, large-scale military operations in parts of the country that are dependent on roads for ground transportation, cannot be conducted without the employment of engineering troops capable of restoring, repairing and maintaining the roads so that they will support heavy traffic by trucks.

The Congolese National Army consists of about 25,000 troops organized into 24 battalions. The Katangan Gendarmerie, which totaled 19,000 in December 1962 has in large part been dispersed as the result of conflicts with UN forces since that date. Congolese Air Force personnel number only 300 non-whites and 60 whites. As of May 1963, United Nations' forces in the Congo numbered 11,000, but the current plan calls for a reduction of these forces to 7,000 by 1 July 1963 and their complete removal by the end of 1963.

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The estimated military capacity of the railroad route leading from the seaport of Matadi to Leopoldville, 227 miles, is 3,300 tons per day, sufficient to support a force of about 264,000* in the Leopoldville area. Upstream on the Congo River to Stanleyville, a distance of 1,082 miles, the through put capacity for military traffic is 3,500 tons per day, adequate to supply a force of at least 270,000. From Leopoldville to Port Francqui, the Congo and Kasai Rivers could carry about 3,000 tons per day and support a force of 240,000. In the southern part of the country, the military capacity of the railroads from the border of Northern Rhodesia to Port Francqui, 1,138 miles, is 1,860 tons per day, adequate for a force of about 149,000 at Port Francqui. From Dilolo on the Angolan border to Tenke, a distance of 324 miles, a force of 124,000 could be supported, as the military capacity of this railroad is estimated at 1,500 tons per day. The railroad between Kamina in Katanga Province, and Albertville on Lake Tanganyika, a distance of 447 miles, is capable of supporting a force of about 72,000.

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C. The Federation of Rhodesia and Nyasaland

1. Economic Significance

Transportation services in the Federation, both domestic and international, are provided principally by railroads (almost 3,000 route miles). There is some increasing dependence on airlines and buses for passenger transport, but little dependence on trucks for long-distance freight transport. There is generally adequate service between all main centers of economic activity in the Federation, between those centers and adjoining territories, and through those territories with major seaports of Southern Africa. Transport and communications account for about 10 percent of white and 3 to 4 percent of African employment in the Federation and in each of its component parts. The revenues of the Rhodesia Railways represent about 6 percent of Gross National Product (GNP) of the Federation, and their operating expenditures about 5 percent. The Rhodesia Railways are especially essential to the movement of copper, which is the major foreign exchange earner of the Federation. Copper sales in 1961 totaled more than 20 percent of the Federation's GNP. Copper traffic (over a million tons in 1961 or about 8 percent of total tons carried) is also the most important earner of revenue for the Rhodesia Railways, having furnished more than 27 percent of gross revenues in 1961. The copper traffic is even more important when the additional revenues from the movement of copper concentrate, the largest component of the "other minerals" category, is taken into account.

Highway development, while of secondary importance as compared to railroads in the Federation, has furthered economic development in areas where lack of

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rail facilities was a limiting factor. The development of the highway network has been considerable relative to the small number of people in a position to contribute to the cost. Motor vehicle registrations in the Federation in 1961 totaled 193,798, or about 45 persons per vehicle.

The Federation is land-locked and only inland water services of minor importance are operated on a few lakes and rivers serving Northern Rhodesia and Nyasaland. A few steamers and barges carry passengers and freight on the larger lakes, but there are mostly small native craft in use on the rivers.

Both domestic and regional air service is provided by Central African Airways Corporation (CAA). The "Rhodesian Comet" service to London is operated for CAA by the British Overseas Airways Corporation (BOAC). The domestic network serves 16 points in Northern Rhodesia, 4 in Southern Rhodesia, and 10 in Nyasaland. Most of the domestic scheduled service in 1961 was performed by DC-3 type aircraft. Air service has been especially important for rapid movement of passengers and of high value - low bulk goods to remote areas such as Barotseland.

Continued supranational operation of the transportation facilities of the Federation will be desirable in order to derive the maximum economic benefits from the transportation system.

(a) Southern Rhodesia

Both railroads and highways in Southern Rhodesia, in keeping with its more diverse and advanced economy, are better developed than in the rest of the Federation (1,986 route miles of railroad, as compared with 666 in Northern

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Rhodesia and 316 in Nyasaland). The lion's share of modernization of the Federation's railroads has taken place in Southern Rhodesia in order to serve the growing industrial sector. Centralized traffic control (CTC) has been installed on virtually all of the single track mainline network of Southern Rhodesia, and a few short stretches are double track. New diesel locomotives are also being gradually introduced to further improve the service and increase capacity.

Railroads of Southern Rhodesia, as well as the transportation and commercial centers of Bulawayo and Salisbury, are very dependent on the volume of transit traffic between Northern Rhodesia and the ports of Mozambique. This transit traffic accounted for more than 25 percent of all tonnage carried by the Rhodesian Railways in 1961* and about 35 percent of the revenues. Exports in transit are composed principally of copper, cobalt, lead, zinc and manganese, and imports of machinery, transport equipment and other manufactured goods. Part of Northern Rhodesia's copper export shipments have been carried by the Benguela Railway in the past. Under an agreement entered into in 1956, 20 percent of the territory's copper export traffic was to be assigned to this route. Other parties to the agreement were the Rhodesia Railways and the Congo Railway authority. This agreement was over-ruled by the Federal Government early in 1960 when it imposed a limit of 36,000 tons (or little more than 6 percent of 1962 exports of 560,000 tons) on the copper tonnage which could be exported via the Benguela Railroad in any one year. A new agreement assigning a greater percentage to the Benguela Railroad or the Congolese "Route Nacionale" is a possibility

*Table 6, Appendix C.III, p. 215.

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after the breakup of the Federation.

Southern Rhodesia contains about 52 percent of the 55,267 miles of maintained roads in the Federation, 73 percent of the miles of bituminous or strip roads, and 71 percent of the registered motor vehicles. Total motor vehicle registrations amount to 138,168 or about 23 persons per vehicle.

(b) Northern Rhodesia

Both railroads and highways become more scarce in Northern than in Southern Rhodesia. The dependence on railroads becomes even greater here because of the proportionately greater tonnage of heavy ore and mineral traffic transported. The copper industry, for example, which in recent years has contributed about 44 percent to the net domestic product of Northern Rhodesia, could not function without railroad service. Railroad capacity continues to be improved by the installation of modern signaling, although not yet to the extent that this has taken place in Southern Rhodesia. There is also considerable interest in Northern Rhodesia in the proposed extension of the railway to connect with the Tanganyikan railway system.

About 39 percent (21,517 miles) of all the regularly maintained roads of the Federation are located in Northern Rhodesia, and 43,934 vehicles or 23 percent of the registered motor vehicles. This amounts to about 57 persons per vehicle. The Great North road provides a highway link with Tanganyika* and there is also a good road connection with Elisabethville in the Congo.

* See Appendix C.VI, p. 267 .

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The inland water service on the few navigable lakes of Northern Rhodesia is small, and only of local significance to the various areas. Civil air is of relatively greater importance here than elsewhere in the Federation, largely for convenient access to areas otherwise relatively inaccessible by other modes of transport.

(c) Nyasaland

Transportation services in Nyasaland are primarily in support of the commercial agricultural economy which provides most of the foreign exchange of the country and in 1961 accounted for about 80 percent of the value of Gross Domestic Product. Low cost and rapid transportation must be provided from the various producing centers to distant markets.

In Nyasaland, as in the rest of the Federation, primary dependence is on railroads, with other modes acting as feeders or providing service to more remote areas. The railroad system needs to be expanded and modernized to meet growing traffic requirements although it is adequate for current traffic requirements. Now wholly steam-operated, single track and manually signaled, it is completely dependent on imported coal, mostly from Wankie in Southern Rhodesia. A few diesel locomotives are on order from the UK.

Regularly maintained roads in Nyasaland amount to 5,150 or 9 percent of the total mileage of such roads in the Federation. Motor vehicles registered in Nyasaland number about 11,696 or 6 percent of the Federation total, and there are about 250 persons per vehicle.

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The navigable lakes and waterways provide some service of mostly local significance. Steamer service on Lake Nyasa provides the only commercial link between the railroad and many towns and farm areas along the lake. Civil air is a small but necessary service to otherwise relatively inaccessible areas.

2. Military Significance

The transportation system of the Federation would almost certainly be able to move and support any military or security force which could be mustered, particularly on the railroad. Some difficulty would be experienced in remote areas because of inadequate highways, but poor highways are not so significant to military as to commercial vehicles.

Total active ground forces (5,171) and police (10,945) number only about 16,000 men and there is an available reserve of about 6,000 men. The active military forces are well-equipped and completely mobile. The Rhodesian air force has about 600 men and 182 aircraft of various types including 14 transport aircraft with a total airlift capacity of more than 70 tons or about 350 troops. There are a total of about 150 airfields in the entire Federation, of which probably only about 50 could handle sizeable military movements. The only international airports capable of receiving sizeable movements of men and supplies from abroad are at Salisbury, Bulawayo, Livingstone and Gwelo, all in Southern Rhodesia; Ndola and Lusaka in Northern Rhodesia; and Blantyre in Nyasaland.

Since only Southern Rhodesia has a white-dominated government, it is here that disturbances would be likely to occur generated by African Nationalists

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and requiring the rapid movement of men and supplies to troubled areas. It is here also that both the railroad and highway networks are relatively well developed and could support movement of far greater forces than the relatively small but efficient military and security forces in being in the area. Here also are all of the major air force bases and airports capable of receiving additional supplies and "volunteer" reinforcements from abroad.

Africans struggling among themselves for power in the Copperbelt area of Northern Rhodesia could lead to demands for UN, UK or US intervention along the lines of (1) the UN operation in Katanga; (2) the UK use of troops in Swaziland; or (3) US troop landings in Lebanon. Should such action be required, the main Rhodesian approach routes to the Copperbelt would be capble of supporting a much greater force than would conceivably be employed. The Rhodesian railroad alone could transport about 5,500 tons per day, which is the estimated requirement to support a force of about 220,000 men.* The main highways northward from Bulawayo and Salisbury could carry 240 through tons per day, enough to support a force of about 9,600 men.

* Requirements calculated on the bais of 50 tons per man per day, estimated for the modern, well-equipped US or UK type force envisioned here.

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D. Mozambique

1. Economic Significance

The inland transportation system of Mozambique is almost completely dominated by the railways, due in large measure to the inadequacy of the existing roads, the scarcity of roads in some areas, and the relatively minor use made of inland waterways. The complete absence of any north-south railroads in the country and the poor quality of north-south highways makes coastal shipping an important segment of the transportation system. In addition to their significance to the local economy, the railroads and the ports are of considerable international importance because they offer the shortest routes to the sea for the Rhodesias and the northeastern areas of South Africa, and the only railroad route to the sea for Nyasaland. Transit traffic from and to these countries and the seaports in Mozambique represents almost 90 percent of the total traffic carried by the railroads. Moreover, revenues from international transit traffic over the railroads and through the seaports accounts for upward of 30 percent of the Mozambique government revenues.

The railroad system is composed of eight railroads, three of which do not connect with any other system. Only three of the railroads are international in character and these account for 94 percent of the traffic carried on all of the railroads combined. In 1960, the last year for which complete statistical data are available, the eight railroads with a total of 1,711 route miles, carried a total of 11.2 million tons. The three international systems are: the Lourenco Marques Railroad, the Beira Railroad, and the Trans-Zambesia Railroad. An analysis of financial reports indicates that these international railroads are consistent

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money earners with operating ratios in 1960 of about 39 percent, 51 percent, and 33 percent respectively.* All the other railroads are operated at a loss with operating expenses exceeding their revenues by a wide margin. Taken as a whole, the railroad system earned a net profit after operating expenses of $20.5 million in 1960. The Lourenco Marques Railroad is government-owned so the net profits would accrue to the government of Mozambique. The Beira and Trans-Zambesia Railroads are privately owned and the government's share in their profits is not known. The money losing railroads are all government owned, but the profits of the Lourenco Marques Railroad were adequate to off-set those losses and still return a net profit of $9.3 million to the government in 1960. These data point up the economic significance of international transit traffic which represents about 90 percent of the revenues earned by the railroads.

The capacities of the international railroad routes in Mozambique are believed to be considerably above the traffic currently moving over them. For example, the short, single track, 55 mile route from Lourenco Marques to Ressano Garcia on the South African border, is currently carrying about 4 million tons per year. Single track routes in the Congo were carrying 6.6 million tons per year in 1957. Moreover, the Ressano Garcia route in Mozambique is equipped with CTC signalling whereas the Congo route is equipped with only a manual block system. The Beira and Trans-Zambesia Railroad routes are also operated at well below the traffic density in either Angola or the Congo.

Despite the importance of highway transport to the economy of Mozambique, the highway network is seriously inadequate. There are no adequate north-south

*An operating ratio is the percentage ratio of operating costs to total revenues.

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routes through the country and transport in this direction is often compelled to take routes through the neighboring countries of South Africa and Rhodesia. During the long, rainy season, wooden bridges are often washed away by flood waters and the dirt-surfaced roads which predominate become impassable. A program is underway to improve the highway network, but a lack of funds has delayed its implementation. However, recent political unrest, with its internal security problems, has emphasized the need for a more adequate system and the government has accelerated the highway construction program and incorporated it in the Second Development Plan for the period 1959 - 1964.

The highway network consists of about 22,840 miles of roads. Only 720 miles have a waterproof surface, mostly bitumen, and 620 miles of rolled stone surface, while the remaining 21,500 miles are natural earth-surface roads. Highways are classified according to their relative importance and not according to the type of construction. First class or national routes link the capitals of the nine administrative districts with each other and with the seaports and neighboring countries. Second class roads link the outlying towns and cities in each district with the district capitals. Other classified roads are designated as regional or third class roads. Unclassified roads are generally nothing more than tracks which are practically impassable for motor vehicles.

Rainfall in Mozambique varies from 39 inches per year in the north to 60 inches in Beira and 30 inches in Lourenco Marques. During the long rainy season, October to March, transport by road is virtually impossible. Traffic is disrupted for long periods at a time through heavy rains washing away road surfaces, destroying wooden bridges and closing ferries. During the dry season, unsurfaced roads corrugate

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badly and are subject to wind erosion, while sand surfaces in the coastal regions are unstable.

Almost all commercial highway transport services are owned and operated by the State Roadways, a Department of the Mozambique Administration of Harbors, Railways and Transport Services. This government-owned service does not compete directly with the railroads and is, in fact, prohibited from doing so. The service operates primarily to feed traffic to and from the railroads or between producing and consuming areas which are remote from the railroads. During 1961, the most recent year for which statistics are available, State Roadways carried about 308 thousand tons of freight. In 1960, the State Roadways owned about 280 trucks and buses, 9 tractors, and 60 trailers. The average carrying capacity of the trucks was about 3 tons each and the trailers 5 tons each. There are an estimated 18 to 19 thousand trucks of all sizes registered in Mozambique but most of these are believed to be small units not suitable for long distance transport of heavy cargo.

The two principal and five minor ports in Mozambique handled a total of 10.0 million and 11.5 million tons in 1960 and 1961. The major ports for international transit traffic are Lourenco Marques and Beira, and these two ports handled more than 95 percent of the total traffic through all the seaports. Lourenco Marques, the largest and busiest port in the country, handles about 64 percent of Mozambique's seaborne commerce. More than 67 percent of the tonnage handled in 1960 was transit traffic. Mineral and coal traffic from South Africa represented nearly 2 million tons or 60 percent of the total outbound tonnage through the port in 1960, and mineral traffic from Rhodesia was 687,391 tons or almost 28 percent. The port is

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one of the best equipped in southern Africa, with deep water berths for twelve vessels. Ample cranes and other handling equipment are available and there is storage space for 50,000 tons of coal and 160,000 tons of mineral ore. Net profits in 1960 were almost $2.5 million. The port is undergoing expansion in order to cope with additional traffic and, in particular, an additional 1 million tons of mineral ore expected to move over a new railroad route presently under construction in Swaziland and connecting with the Mozambique railroad near Goba.

Beira, the second largest port, handled 3.2 and 3.6 million tons in 1960 and 1961. About 56 percent of the total tonnage handled through the port is transit traffic from and to Rhodesia. Rhodesian traffic in 1960 amounted to 983,000 tons outbound and 835,000 tons inbound. The port is well-equipped with deep water berths for 6 vessels. Two new wharves completed in 1962 will become operable as soon as cranes and other cargo-handling equipment are installed.

Civil air transport has little economic significance in Mozambique. The government-owned carrier, DETA, provides passenger service to 14 points in Mozambique and to Salisbury in Southern Rhodesia, and to Johannesburg and Durban in South Africa. Also, the Portuguese flag carrier TAP, links Mozambique with Portugal and with Angola. During 1961, DETA carried 36,500 passengers. No scheduled air freight service is available in Mozambique.

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2. Military Significance

The transportation system of Mozambique is capable of supporting a considerably greater military force than the Portuguese will be able to deploy in the area in the forseeable future. As of 1 January 1963, the strength of the army of Portugal was 102,000. More than 55 percent of it was employed in the defense of overseas provinces and colonies. Portuguese ground strength in Mozambique consists of about 17,000 troops organized into 14 infantry battalions, and a battalion each of armor, artillery, engineering and signals. A small air force unit also provides some air transport capability.

The railroad systems are the most important mode of transport for

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the supply of military forces from Indian Ocean ports to major concentration areas inland. In Northern Mozambique, the Mocambique Railroad extends from the minor ports of Nacala and Lumbo to Congerenga, a distance of 402 miles. This route is capable of delivering about 4 trains per day to Nova Freixo, 334 miles, with sufficient tonnage to support a force of 120,000*. From Nova Freixo to Congerenga, a distance of 68 miles, the route is newly constructed and may have a tendency to settle, thus forcing a reduction in the speed and weight of trains during heavy rains. Nevertheless, it is believed to be capable of supporting about 60,000 troops at Congerenga, near the Nyasaland border.

From the port of Beira, the Trans-Zambesia Railroad running north to the Nyasaland border, about 205 miles, can support a force of about 136,000. The Tete Railroad which branches off of the Trans-Zambesia Railroad at Donana and runs to Benga on the Zambezi River, can handle 4 trains per day with tonnage for about 136,000. These two routes have been considered in isolation and the Tete Railroad is dependent upon the Trans-Zambesia for a connection with Beira. Therefore, only 136,000 troops could be supported at Donana and 68,000 at each of the terminals of the routes.

The Beira Railroad extending from the port of Beira to Machipanda on the Southern Rhodesia border, connects with the Rhodesian Railroad route which serves Salisbury, the capital of Southern Rhodesia. This route has a military capacity of about 3,200 tons per day, adequate to support a force of about 256,000. The port of Beira is capable of handling about 5,600 tons per day using ship's gear only for unloading military cargo. At that rate of discharge, the port could support a force of 448,000.

* Computed on the basis of a logistic requirement of 25 pounds per man per day.

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In southern Mozambique, two main railroads extend inland. The most southerly of these runs from the port of Lourenco Marques to Ressano Garcia on the border of South Africa, a distance of 55 miles, and connects with the South African railroad which serves Pretoria and the Johannesburg area. This route is capable of delivering enough tonnage from the port to the South African border to support a force of about 840,000 or, 10,450 tons per day.

The northern route extends from Lourenco Marques to Malvernia on the border of Southern Rhodesia where it connects with the Rhodesian railroad route which serves Bulawayo, Wankie and Salisbury. From Lourenco Marques to Malvernia, the route is 332 miles in length. The estimated military capacity of the route is 3,300 tons per day, sufficient to support a force of 264,000.

The capacity of the port at Lourenco Marques is adequate for the tonnage involved, but if a debarking force should be compelled to use ship's gear only, the port capacity would be sufficient to supply a force of about 756,000.

The highway network in Mozambique is capable of supporting a considerable force during fair weather, but during the long rainy season, most of the roads become virtually impassable for commercial vehicles and extremely difficult even for four-wheel drive military vehicles. An example of a highway which serves a remote area not served by a railroad is the highway leading from the minor port of Quelimane to Milange near the border of Nyasaland, a distance of 215 miles. In good weather, this route could support a force of 36,000. Assuming a reduction of 75 percent during the rainy season, a force of 9,000 could be supported. The highway from Beira to Machipanda on the Southern Rhodesia border parallels the

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railroad route. In fair weather this highway could support a force of 613,000. The highway from Lourenco Marques to Ressano Garcia on the South African border could support a force of 267,000.

The international airports at Beira and Lourenco Marques have considerable military significance, particularly for the airlift of troops from Portugal and for the airlifting of troops and supplies to other airfields in the country from which supplies could be further distributed by airdrops.

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E. South African Republic

1. Economic Significance

The railway system of South Africa provides more support to the economy than any other mode of transportation. It provides service between the completely separate and widely dispersed centers of production and consumption of which the Witwatersrand is the focal area. Thus it facilitates production for local consumption and for export as well as the distribution of essential imports to the interior. Foreign trade moves by rail to and from the ports and by interchange of traffic with the railroad systems of the Federation and Mozambique. The basic wealth of the country is still derived from its output of valuable minerals, chiefly gold and diamonds, which can be moved easily by air, but the effort involved in their production entails large movements of iron ore, steel, machinery and coal for electric power. Minerals other than coal and iron ore which are moved and exported in substantial amounts include chrome ore, manganese, asbestos, phosphate rock, limestone and copper.

Agricultural products also figure prominently on the transportation system of the country. Corn, raised in various parts but mostly in the belt of the southern Transvaal and Orange Free State, moves in large tonnages both for local consumption and for export. Sugar cane and sugar are traffic items of importance on the Natal Coast. Cattle and animal products are collected in South-West Africa and the northeastern Cape area and moved both to ports and domestic consuming centers. Cattle are also moved from one grazing area to another by railroad when

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their well-being is threatened by drought in grazing regions. Other important railborne agricultural products are citrus and deciduous fruits, grapes, potatoes and other vegetables, and fish. Timber is imported in order to supplement the insufficient domestic supply.

All petroleum and its products are imported by sea and the portion consumed at interior points moves from the ports by rail. Large amounts of machinery, consumer goods and general merchandise are also imported and are moved to the hinterland by railroad.

In addition to inter-city passenger service the railways also perform an unusually extensive commutation function in the carrying of passengers between the large cities and their places of residence. The government is promoting the movement of urban residents to all-white and all-African communities at some distance from the cities in order to implement its policy of race separation. Much new railway equipment is being added and modernization of plant is being undertaken for this purpose. The addition of new facilities and equipment, in itself, is a considerable stimulus to the economy as most of it is being produced within the country from indigenous materials. Modernization of the freight as well as the passenger plant, is under way and through this program the South African Railways contribute importantly to the living standard of the population and the pace of the economy as a whole.

Highways and highway transport are important to the economic life of South Africa, both where there are no railways and in concentrated

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collection and distribution centers such as cities, ports and mining areas. Highways are built with local funds within the provinces, but the inter-regional highways some of which are bituminous surfaces, are built with revenues derived from a national gasoline tax.

Air transport serves the national economy through expediting internal and external trade in high value and perishable goods and through more expeditious planning, coordination and decision making resulting from fast passenger and mail service. Regional trunk services are provided largely by jet aircraft in addition to the conventional piston type. The transport aircraft inventory consists of 28 aircraft of which 3 were Boeing 707s, 20 were 4-engine piston or turbo-prop aircraft, and 5 were DC-3s. The three major airports in South Africa at Johannesburg, Durban and Capetown, are adequate for present traffic requirements.

2. Military Significance

The transport facilities within South Africa would almost certainly be able to handle all traffic needed to support the military and internal security forces of the country. The role of ground transport in a military crisis conceivably would fall into two phases, i.e., mobilization and sustained logistical support. The first phase would involve a rapid assembly and delivery of essential types of equipment through clearing the railroads and highways for priority movement of personnel and materiel with the consequent delay of less pressing economic traffic. The second phase would represent at least a partial return to normal operations, but with extra trains and vehicles moving in addition to those needed by some areas which would have to be expanded while others would temporarily be reduced or suspended. The type of transport pattern which would develop in either phase would depend upon a combination of circumstances, but most particularly upon whether or not the Republic were or were not threatened by a major world power or combination of powers possessing sea or air strength.

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The South African Army has a strength of 12,000 men organized into a mobile watch unit, a parachute battalion and 10 training units. In addition, more than 50,000 men are enrolled in militia-type units known as Commandos. The regular air force personnel number 3,885 and there is a reserve force numbering 10,000. Naval personnel total about 1,700. The police force consists of 28,000 men of which 14,500 are non-whites, and would be of questionable value in suppressing racial violence.

Should events build up to a combination of pressures from the Bantu and other native African tribes only, there might come into being a combination of two fronts, one to the north, and a more fluid one among Bantus within South Africa. If the railroads can be secured so that they are comparatively free of sabotage, they should be able to meet the requirements of both military phases with facility. If a Bantu uprising included a wholesale abandonment of normal employment by the non-whites, and flight to the north or to the protectorates ensued, difficulty might soon be faced in obtaining sufficient coal to keep steam and electric powered motive power in operation on the railroads. The diesel locomotives and motor transport, barring economic sanctions on imports of fuel, could probably keep essential military and a minimum of economic traffic moving, but lack of coal and power could cause transportation supporting industries to shut down and maintenance as well as the availability of supplies may not be sufficient.

In the initial phases of a localized front line conflict with native African forces to the north, the logistical supply lines would probably extend as

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far as the Zambezi River. Extra heavy loads can be handled by both rail and motor transport so that ample special military equipment could also be moved with dispatch to the combat zone. A possible weak link in the line of communications which might well need to be supplemented by air, road and sea transport, however, is the rail connection with Southern Rhodesia. Normal economic traffic on this route is light, and so there should be ample excess capacity for military supplies, but there could conceivably be international political complications inasmuch as the line extends for much of its length through the Bechuanaland Protectorate.

An alternate to this route for the movement of South African forces to the Southern Rhodesian border and into Southern Rhodesia exists, however, by rail to Beitbridge on the border, and thence by road to Bulawayo in Southern Rhodesia. The road from Beitbridge to Bulawayo would represent the limiting capacity for the supply of South African forces but it has the capacity to supply a force of at least 25,000.

In a long, drawn out conflict of resistance, purely African in character, the erosion on the white forces would probably take its toll in loss of life and productive time on both sides, and in reduced economic output rather than in attrition to transport Employment on the railroads is about 50 percent white, and conceivably both railroad and road transport could operate on reduced schedules with sufficient capacity to support military operations even with the departure of a high percentage of the non-whites. Thus the greatest threat to the South African military forces lies not in the insufficiency of transport and the lack of ability of transport to support forces holding militant African nationalism, but in possible economic sanctions or intervention on the part of a non-African power or group of powers.

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III. Consequences of the Imposition of Various Potential Controls on the Transportation Routes

A. Embargoes on Traffic

1. Following the imminent split of the Federation of Rhodesia and Nyasaland, it is conceivable that Southern Rhodesia would consider an embargo of traffic with Northern Rhodesia and Nyasaland as a countermeasure to the support by Northern Rhodesia and Nyasaland of nationalist movements within Southern Rhodesia or as a result of disagreements concerning tariffs, customs and other international arrangements. Such action would have the following consequences:

(a) Southern Rhodesia would retain its access routes to the sea through Mozambique and South Africa, but would be denied the existing market for about 30 percent of its manufactured goods (mostly consumer durables and non-durables) and over one-third of its coal (about 1 1/4 million tons). It would also lose the valuable transit traffic on the Rhodesia Railways which moves to and from Northern Rhodesia and the Congo. In 1961 this traffic* amounted to an estimated 25 percent of the total tonnage carried by the Rhodesian railroads and an estimated 35 percent of gross revenues for the railroads. Loss of these substantial portions of the markets for industrial goods and transportation services would result in large scale unemployment, at least until the Southern Rhodesian economy were reoriented, having increased its trade with other trading partners. Access routes to South Africa and Mozambique would remain open and trade would still continue with the UK and South

* See Table 6, Appendix C.III, p. 215 and section II.C.1, p. 29 .

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Africa, the most important trading partners, as well as with the rest of the world. The net effect of the embargo, however, might be more unacceptable to Southern Rhodesia than to Northern Rhodesia or Nyasaland where standards of living are relatively lower.

(b) Northern Rhodesia would suffer rather serious consequences. Denied its principal access routes to the sea through Mozambique ports via Southern Rhodesia, the most logical alternate route is the all-rail (BCK-Benguela Railways) route through the Congo and Angola. The distance is not significantly greater via the alternative route but the necessary additional capacity is lacking to handle all of the tonnage that would have to be diverted (about 3 million tons) in addition to current traffic (about 3.6 million tons). The railroad carried nearly 4 million tons during the peak year 1960, and is believed capable of accepting at least 600,000 tons in excess of current traffic, without substantial improvement. The port of Lobito is also believed to have at least this much excess capacity.* Since this is a nearly equidistant rail route with no transshipment, there should be little if any additional transportation cost.

The next most logical alternate routing for Northern Rhodesian exports and imports would be via the Congo's Route Nationale (rail-water-rail) which is expected to be restored as a through route to and from the port of Matadi by September 1963. Its reliability is questionable, however, because of the areas of tribal unrest through which the traffic must pass. Capacity of this route is

* See Appendix C.I., p. 172 .

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probably limited by the capacity of Port Francqui to about 1 million tons per year. Traffic through Port Francqui in 1959, the last year of normal operations, was about 412,000 tons. Additional capacity available is probably not over 600,000 tons without substantial improvement to the port and the segment of the BCK railroad which serves it.

Another possible alternative is to route the traffic via the Congo railways to Albertville, transship over Lake Tanganyika to Kigoma for further movement by the Tanganyika railroad to Dar es Salaam. Maximum capacity of this route for commercial traffic would probably be limited by the Lake Tanganyika service between Albertville and Kigoma to nearly 600,000 tons per year. The most heavily used segment of the route, however, is the Tanganyika railroad between Kigoma and Dar es Salaam which carried over 540,000 tons in 1961 and is probably operating at near-capacity. It is therefore doubtful whether more than 60,000 tons additional could be accepted for through movement under present conditions. Introduction of diesel motive power however would substantially increase the capability.

Another alternate possibility is the shipment of some freight over the highway from Northern Rhodesia to Dar es Salaam. This highway is considered an all-weather route but is limited to about 650 tons per day (nearly 240,000 tons per year) in both directions by low-capacity bridges on the 70 mile stretch just south of the Rhodesia-Tanganyika border. Through traffic is believed to be very light and the estimated capacity may be considered available if a fleet of vehicles could be operated and maintained.

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Additional capacities available on all feasible alternate routes between Northern Rhodesia and the sea are therefore estimated to be as follows:

(millions of tons)

Port*	Route	Capacity	Traffic (1961)	Unused Capacity
Lobito	BCK-Benguela RR	4.5	3.9**	.6
Matadi	Route-Nationale	1.0	0.0	1.0
Dar es Salaam	Congo RR-Lake Tanganyika-Tanganyika RR (via Albertville-Kigoma)	.6	.54	.06
Dar es Salaam	Rhodesia-Dar es Salaam Highway	.24	neg.	.24
Total	All feasible alternatives	6.34	4.44	1.90

It may be concluded, therefore, that a Southern Rhodesian embargo of Northern Rhodesian traffic would prevent the movement of one million tons or more of export-import traffic, about 1/3 of the current export-import traffic. The effects of such a reduction in foreign trade to a country so greatly oriented to trade as is Northern Rhodesia would be serious. The copper industry alone accounts for over 50 percent of the Net Domestic Product of Northern Rhodesia, and it exports nearly all of its production.*** There would also be a reduction in the volume of other exports such as cobalt, lead and zinc (See Appendix B.III, Table 2 below). In addition, Northern Rhodesia would be cut off from its only supplier of coal, the Wankie mines in Southern Rhodesia. Modern industry

* The capacity of the port is not believed to be the limiting factor on any of these routes.

** Includes about 150,000 tons which might normally be expected to move via the Route-Nationale to Matadi, if it were open.

*** The Benguela railroad, since most of its excess capacity is available for imports (See Appendix C.I), could accept not more than 20 percent of the Northern Rhodesian copper exports unless it were relieved of some of the Katanga copper (about 600,000 tons) which it now carries.

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and transportation, almost totally dependent on this source of power, would be seriously crippled after existing reserves were exhausted, although it would be possible to import considerable coal (at much greater cost) over the inadequate alternative routes. (Over 80 percent of estimated excess capacity is probably available for imports.)

Adding to the monstrous unemployment problem inherent in the above situation would be the probable deportation of over 40 thousand Northern Rhodesian migrant laborers who are normally employed in Southern Rhodesia.

(c) An embargo on trade between Southern Rhodesia and Nyasaland would force the latter to adjust trading patterns but would have only marginal effects on the generally subsistence economy. Of its total market for agricultural exports, Nyasaland would lose less than 10 percent which is marketed in Southern Rhodesia and South Africa. Of more serious consequence, however, would be the deportation of Nyasas working as migrant laborers in Southern Rhodesia, a number in excess of 130,000. These workers would have to be incorporated into an economy where the rate of growth is already barely adequate to keep up with population expansion.

The rail line to the Mozambique port of Beira would remain open, unless Portugal also embargoed, and imports of railroad rolling stock, vehicles and accessories, fuel oil, coal and construction materials could continue. A limited additional amount of coal might be imported on this line to substitute for Wankie coal. The railroad, however, is only a single track, steam operated, manually signaled line with light axle loadings. It is operated at slow speeds and capacity

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is estimated at about 3,000 tons per day in both directions (about one million tons per year). Traffic in 1961 was about 973,000 tons, but dropped to about 936,000 tons in 1962.*

Considering the magnitude of the detrimental effects of such a blockade on all concerned, such action especially by the conservative government of Mr. Field would probably be taken only as a last resort short of all-out conflict.

2. In support of African Nationalism, it is conceivable that the Republic of the Congo might consider an embargo on traffic with Angola. Such action would have the following consequences:

(a) Angola would lose the valuable mineral and ore traffic which moves from Northern Rhodesia and Katanga to the port of Lobito over the Benguela railroad. This traffic has furnished 35 to 45 percent of total ton miles on the railroad and about 38 percent of tonnage handled at the port of Lobito in recent years. The Benguela railroad is believed to derive some 75 percent of its revenues from transit freight and passengers to and from Katanga. Although 90 percent of the Benguela railroad is owned by Tanganyika Concessions Ltd., a British company (10 percent is owned by the Portuguese Government), it is nevertheless of great importance to Angola as its principal link to the interior. In addition, the port revenues to the government from this traffic are considerable.

Angola's foreign trade would be little affected. Access routes to all major trading partners would remain open. Trade with the Congo accounts for no

* See Appendix C.III, Table 7, p. 216.

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more than one percent of Angola's imports and about four percent of its exports. The principal effect, then, would be the serious disruption of the financial position of the Benguela Railroad and the Port of Lobito together with decreased revenues for an already hard-pressed government.

(b) The Congo, by such action, would be virtually committing economic suicide. Having denied itself a major access route to the sea for the important Katanga traffic, the Congo would be faced with probable retaliatory action by the Portuguese who are in a position to cut off their only other Atlantic outlet by refusing to allow dredging of the Matadi channel, part of which lies within Angolan territory. A negligible amount of traffic might possibly be diverted through Brazzaville to Pointe Noire, which route is believed to be operated at near-capacity. Some traffic from Katanga might conceivably be routed over the Rhodesian Railways for further shipment to South African ports, but only a limited amount in excess of current traffic could probably be handled by the railroad to Bulawayo -- the distance would be over 40 percent greater. The only other outlets remaining would be the low-capacity, costly routes through Tanganyika discussed in 1(b) above, since the Portuguese would also deny the Congo the use of Mozambique ports. Additional capacity on these routes through Tanganyika, which in 1961 handled only about 90,000 tons of export-import traffic for the Congo is estimated to be only some 300,000 tons per year (see 1(b) above). The serious effect on the economy is apparent when it is realized that, excluding diamonds, which move by air, the total exports for 1959, the last year for which reasonably reliable totals are available, were

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approximately 1.7 million tons worth about $423 million. Imports for the same year were roughly $185 million. The money economy of the Congo is largely oriented to foreign trade, and a major disruption of the money economy would doubtless ensue.

Considering the above, it is understandable that the Congolese government has thus far adopted a cautious attitude towards the support of nationalist insurgency in Angola. It is believed that such an attitude is likely to continue and economic blockade is not in the cards.

3. A more unlikely turn of events such as coordinated and concurrent sabotage or insurgent action against the white dominated governments of Southern Rhodesia, Angola, Mozambique and South Africa, supported by and based in the black dominated territories of Northern Rhodesia, Nyasaland, and the Congo, might precipitate a general embargo on traffic with these countries imposed concurrently by Southern Rhodesia, Portugal and South Africa. The Portuguese under these circumstances would also be expected to interdict the channel at Matadi. Consequences of such action would be as follows:

(a) The effects on Southern Rhodesia would be the same as described in 1(a) above.

(b) Northern Rhodesia would experience the same effects mentioned in 1(b) above, but these effects would be magnified by the additional loss of the two other alternative access routes to the sea which are estimated to have the most excess capacity. That is to say that, in addition to being denied access to Mozambique and South Africa through Southern Rhodesia, Northern Rhodesia would now also

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be denied access to Lobito, Angola and Matadi, Congo. Only the completely inadequate routes through Tanganyika (see 1(b) above) with only some 300,000 tons of excess capacity per year would remain open to handle the 3 million tons of Northern Rhodesian export-import traffic in competition with Congo and Nyasaland traffic also looking for an exit to the sea.

(c) The Congo and Angola would experience the same effects hypothesized in part 2 above, except that the Congo's situation, already described as disastrous, would be slightly worsened by competition from Northern Rhodesia and Nyasaland for use of the low-capacity costly routes through Tanganyika.

(d) Nyasaland would experience the same serious effects described in 1(c) above, worsened to the degree that it would now be virtually isolated by the denial of its rail connection to Beira via the Trans-Zambesia railroad. Only low capacity roads connect Nyasaland with Tanganyika, the only remaining route to the sea. Under a total embargo by all white-dominated governments, it would not even be possible to import the small amounts of vehicles, railroad rolling stock and fuels which were possible if Portugal did not embargo.

(e) Mozambique would be affected in very much the same way as Angola. Trade routes with all major trading partners would remain open, and it would experience the loss of less than 5 percent of its exports and less than 2 percent of its imports which are accounted for by the Federation of Rhodesia and Nyasaland and the Congo. The principal effect (and this would occur even if only Southern Rhodesia embargoed) would be the serious disruption of the financial position of the

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railroads and the port of Beira because of the loss of the lucrative transit traffic originating and terminating in Northern Rhodesia, the Congo and Nyasaland. Here, as in Angola, in the face of decreased government revenues from lost traffic, additional expenditures would be required from an already hard-pressed government to maintain and operate transportation services necessary to keep the rest of the economy functioning. Nearly 30 percent of Mozambique's revenue is derived from port and rail operations and about 40 percent of the development budget has been devoted to transportation and communications facilities since 1956. Export-import traffic through Beira for Northern Rhodesia, Nyasaland and the Congo amounted to an estimated 2.2 million tons in 1961, 61 percent of total traffic through the port, and 69 percent of the tons carried on the Beira railroad. The traffic moving between Nyasaland and Beira represents one-third of the traffic on the Trans-Zambesia railroad. During 1960, of the total of over 4 million tons carried by the railroad serving Lourenco Marques, however, over 90 percent was transit traffic between South Africa and the port, earning perhaps 95 percent of the revenue. The port of Lourenco Marques therefore should not be seriously affected by the hypothesized embargo.

(f) South Africa would be affected least of any country in the area, unless outside countries imposed boycotts or sanctions. The US and the UK together account for more than 40 percent of South Africa's foreign trade and this trade as well as that with all other major trading partners would continue. Trade with all of the embargoed countries amounts to less than 4 percent of exports and less than 3 percent of imports, all of which could be obtained or marketed elsewhere. The

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principal role of South Africa in such an embargo would be to substitute insofar as it would be able for markets and sources of supply lost to the other countries of the "white redoubt." South Africa would also be expected to render extensive emergency aid to its suffering partners in the blockade.

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B. Sabotage by Insurgents

An objective of insurgents engaging in sabotage frequently is to disrupt the economic life of a country to such a degree that chaotic economic conditions will contribute to the overthrow of existing governmental authority. The disruption of traffic between producing and consuming centers, including export and import traffic, is a principal means to this end and the transportation facilities are a prime target for sabotage. Insurgents also attack transportation targets for the purpose of attempting to deny their use to governmental military and security forces, and to destroy these forces and their logistic support in transit.

The transportation systems of the countries of Southern Africa are highly vulnerable to sabotage. The effects of sabotage of transportation facilities upon the economy or the security of a country or a region within a country depends largely upon the availability of alternate transportation routes and facilities, and the recuperability of the transportation system after sabotage. In the territories of Southern Africa, the railroads are the backbone of the transportation system and neither the highways nor the inland waterways are capable of providing either an adequate alternate or a substitute means of transport for commercial traffic. Moreover, with the exception of the railroad system of South Africa, all trunk line railroads are single track and alternate rail routes over which traffic can be diverted are non-existent. For these reasons, the railroads could be a most profitable economic target for sabotage by insurgents, and the loading and unloading facilities of major seaports would be a close second to the railroads. The highways

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may also become a target for saboteurs, but damage to highway facilities would not have as serious economic consequences as damage to the railroads, because frequently they serve only as feeders to the railroads, and in any event their capacities are much lower than those of the railroads. The inland waterways should not represent priority targets for sabotage because there are few physically vulnerable targets along rivers and lakes, but damage to selected river and lake port facilities could have considerable economic consequences in the Congo and certain other parts of the area.

The key bridges on the railroads offer some of the most profitable targets for sabotage, as do power stations which supply current to electrified sections of the railroads. The bridges and power stations on the railroads are listed and discussed in Appendix E and their locations are mapped on Figures 3 through 8.

The effective sabotage of a major bridge of steel or concrete construction requires a relatively high degree of training in the use of explosives and also some training and skill is required to gain access to the target. The demolition of a major bridge on a route for which there is no alternate in the area could nevertheless stop traffic for an extended period of time - a time period of from one month to a year depending upon the repair resources of the territory in which it is located. With the exception of South Africa, and to a lesser degree Southern Rhodesia, none of the countries under consideration here are capable of producing the structural steel bridge components with which to repair such a structure. Neither is there any evidence

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of the storage of structural steel bridging material in these countries which would facilitate repairs. It is probable that engineers in some of these countries may have the technical know-how to effect temporary repairs using timber instead of steel, but this capability has not been evident in the Congo, however, because some key bridges which have been damaged have not been restored to service for months although timber there is plentiful. It is estimated, therefore, that the recuperability from railroad sabotage in any of these countries except South Africa and Southern Rhodesia is very low, and considerable time - extending up to a year - may be required to repair major structures. The transloading of traffic using makeshift ferries or temporary bridges to by-pass damaged permanent structures is possible. Nevertheless, even with the use of such an expedient, traffic movement would be drastically reduced during the period of time the permanent structure is unusable.

Sabotage targets are not limited to the major structures on a railroad route. Motive power also represents a profitable target for the sabotage of a railroad system. With the exception of South Africa, none of the countries under consideration are capable of producing locomotives or their major parts, and even South Africa has purchased large amounts of such equipment in America and Europe. Some replacement parts will be available in each of these countries. However, the well-trained saboteur will concentrate on the consecutive damage to only one or a very few identical component parts, which are difficult to replace, thus effectively reducing the capability of the railroad shops to repair damage to locomotives and to keep them operational.

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Concurrent with the sabotage of locomotives a well organized operation would also attempt to sabotage the machinery in the repair shops. Access to locomotives and repair shops is, however, difficult and access may require the recruitment of railroad employees as saboteurs or at least require the cooperation of such employees. Recruitment of these employees may prove difficult, however, because the railroad is the employee's source of livelihood. Therefore, railroad employees would have to be motivated by a strong sympathetic attitude toward the objectives of the insurgents or they will be reluctant to accept the risks involved. Also, a strong sense of loyalty to the railroad is frequently found among railroad employees, particularly in the less developed countries. The railroad workers have a status not shared with common laborers. The railroad is a visible symbol of modern progress and railroad employees are proud of it. They may not even know the name or the politics of national government officials, and care even less, but they know the railroad officials and are frequently quite loyal to them and to other railroad employees.

The probability of sabotage and the courses of action which may be expected in [redacted] Southern Africa varies from country to country. The insurgents in being in the various countries are discussed in I-A, above, and in Appendixes A and D. An examination of these dissident forces, their current assets and state of training for sabotage balanced against military and security forces in the various territories, discussed in Appendix D, suggest that they are unlikely to be able to engage in critical sabotage against transportation for some time - at least a year and possibly two years.

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1. Angola

The African rebellion which broke out in March 1961 under the leadership of Holden Roberto has just barely managed to maintain itself and is presently confined to a relatively small area in the northwest section of the country bordering on the Congo. Its spread to other areas has been and continues to be hampered by the rebels' inadequate equipment and training, and the lack of outside support necessary to obtain additional equipment and to train a cadre with which to recruit and train additional followers. So far, his following has been limited to members of the Bakongo tribal group of northern Angola, and tribal differences between this group and other tribal elements in Central and Southern Angola has obstructed the spread of the rebellion to other areas. The rebel group does not appear to have the degree of sophistication necessary to establish a sabotage net in all target areas or, for that matter, to engage in any action other than sporadic raids on rural farming communities and acts of terrorism in the limited area in which they are presently confined. It is unlikely that any appreciable effort to sabotage the railroads and ports can be expected from this rebel group until there is a substantial improvement in its capability.

Roberto has close ties with Congolese Premier Adoula and other members of the ruling group in the Congo. They have given him a limited amount of aid and have permitted him to set up a training camp about 70 miles south of Leopoldville. Roberto has also received money and arms from Tunisia and some of his militants have been trained there and in Algeria. Material and equipment from these sources has been kept to a trickle by the problem of transportation from North Africa. If and

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when Roberto's group acquires the training and equipment which will enable him to act, he may attempt to engage in sabotage activity against the Luanda Railroad in northern Angola with or without the blessing of his supporters in the Congo. The Congolese may attempt to restrain him from acts of sabotage against the Benguela Railroad, at least initially, because even in normal times over 75 percent of the mineral traffic from Katanga Province moves over that route and the alternate route over the Congo's "Route Nationale" is none too secure. Should both of these routes be sabotaged, the Congo's access to the sea would be limited to the more circuitous route through the Rhodesias to ports in Mozambique or South Africa, or the low capacity route through Tanganyika to the Indian Ocean. The remoteness of the region in which the Mocamedes Railroad in southern Angola is located suggests that it will not be quickly affected by insurgency in the north.

2. Congo

With the end of military action in January 1963 and the reuniting of the break-away province of Katanga with the rest of the Congo, organized rebel activity has practically ceased. Railroad structures which were sabotaged or deliberately destroyed by direct military action are in the process of being restored, and the same groups who have been carrying out acts of sabotage since independence in 1960 now appear to be, at least temporarily, aligned with governmental security forces to protect against sabotage. Barring another attempted secession by Tshombe and the Katanganese and greater political unrest than currently exists, it is improbable that organized sabotage activity will occur in the Congo. However, the railroads and in

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particular the "Route Nationale", which is the Congo's principal route of access to the sea entirely under Congo control, runs through an area populated by a hodgepodge of tribal groups which are frequently at loggerheads and these tribal groups may be able to cause derailments or they may, through terrorist activity, create so much fear among railroad personnel that serious disruption will occur through failure of the staff to function properly. None of these tribal groups are currently believed to possess the materials or the skills necessary for the destruction of major railroad structures, however.

3. The Federation of Rhodesia and Nyasaland

With the dissolution of the Federation, which is imminent, Northern Rhodesia and Nyasaland will be governed by authority with which the populace will be sympathetic. In the absence of internal dissident groups, it is unlikely that sabotage to the railroads of Northern Rhodesia and Nyasaland will occur. In Southern Rhodesia, some acts of sabotage have occurred in the past but there is no organized group currently within Southern Rhodesia capable of critical acts of sabotage. Moreover, sabotage from African nationalists operating from Northern Rhodesia against the railroads in Southern Rhodesia would not be in the best interests of Northern Rhodesia because this territory needs the Southern Rhodesian railroads to provide the traditional route to the sea as well as to facilitate trade with Southern Rhodesia, South Africa and Nyasaland. In spite of these considerations -- and in spite of the relatively mild attitude toward Southern Rhodesia taken at the Addis Ababa conference,-the possibility of sporadic acts of sabotage against the railroads of Southern Rhodesia cannot be ruled out. The non-white leaders may conclude that the railroads are of so little importance to the vast majority of the non-whites

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who are a part of the subsistence economy that they can be sacrificed in the cause of African nationalism. Such a conclusion would be encouraged if Britain and Southern Rhodesia reached a stalemate on the colony's constitutional development.

4. Mozambique

Currently there are no active dissident groups or insurgency forces in being within the country capable of critical acts of sabotage. Insurgents operating from Nyasaland could conceivably mount a sabotage operation against northern Mozambique, but that is unlikely because Nyasaland needs the railroads in Mozambique for access to the sea as well as for trade with Mozambique, the Rhodesias and South Africa. In this connection, however, the same conclusion by non-white leaders suggested in B.3. above, regarding Southern Rhodesia, may also apply to Mozambique. There is also a possibility of sabotage to the railroads between South Africa and Mozambique by insurgents operating from South Africa. That possibility is discussed in B.5. below.

5. South Africa

In the absence of well-organized and trained insurgents in being in South Africa at present, and considering the efficiency of the South African security forces, it is improbable that large scale sabotage of railroads and port facilities will occur in South Africa within the next two years. Some acts of sabotage have occurred to power stations on electrified routes, but these sporadic incidents have only served to alert the security forces to the need for guarding transportation

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facilities, thus making a repetition of such incidents even more unlikely and considerably more hazardous for the saboteurs. Moreover, the existence of alternate routes over which traffic can be diverted, coupled with the capability of the railroad repair organization to restore damaged installations and equipment, indicates that a major sabotage program requiring a high degree of sophistication would be required to seriously disrupt traffic in South Africa. There is a possibility that South African insurgents might attempt to infiltrate into Mozambique for the purpose of sabotaging the railroad route which runs from the South African border through Mozambique to the port of Lourenco Marques. Almost four million tons of South African freight traffic yearly moves over this route, and its sabotage would require the diversion of a considerable amount of export mineral traffic originating in the area of Johannesburg and import traffic destined for the same area. In the event of such an attempt at sabotage in Mozambique, the South African security forces and the Portuguese in Mozambique would probably cooperate to the fullest extent possible to secure the route against sabotage. South Africa needs the route, and Mozambique needs the considerable revenue from the traffic over the route.

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C. Seizure of Parts of the Transportation System by Insurgent Forces

1. General

While there may be attempts on the part of non-white insurgent (guerrilla) forces to seize parts of the inter-territorial transportation system, it does not appear that a military advantage can be obtained thereby. There are also other considerations that would not make such action propitious.

Normally, guerrilla forces wish to establish their operations in areas that (1) are advantageous from the standpoint of terrain, (2) are adjacent to safe havens, preferably across international borders in sympathetic territories where training can be conducted, and from which forces can be deployed or to which guerrillas can retreat in safety when pressed by opposing forces, and (3) are connected by some form of transportation to a source of logistic support and manpower reinforcements. There are no parts of the area under consideration that combine outstanding terrain advantages for guerrilla operations with the other two desirable requirements for guerrilla warfare. Outstanding terrain advantages would include mountains with dense jungles or forests with underbrush covering the egress and access routes to the mountains.

If insurgents should seize parts of the inter-territorial transportation system, even though lacking outstanding terrain advantages, the logistic supply capability of the routes in the hands of government forces would make it possible for them to deploy currently an overwhelmingly large force against the uprising. In addition, seizure of parts of the system by insurgents, and the

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conflict that would ensue, could deny the territories which may be hosts to the insurgents their traditional trade routes to the sea. The consequences of such action would be virtual stagnation in the market economies of these host territories. It appears, therefore, that insurgents cannot expect to gain a military advantage by seizure of parts of the inter-territorial transportation, and furthermore that the non-white governments which may be called upon to serve as hosts to guerrilla forces should urge them to operate in parts of the area somewhat removed from the inter-territorial transportation system.

2. The Physical Setting for Insurgency

In the area under consideration, railroad and highway routes which traverse relatively isolated, partially wooded countrysides, are found from Kolwezi in the Katanga, across Angola to the port of Lobito; south from the Copperbelt to Livingstone, Northern Rhodesia; and east from Salisbury, Southern Rhodesia, to the port of Beira, Mozambique. Grassland areas are traversed by rail routes in the vicinity of Bulawayo, Southern Rhodesia; between Kamina and Port Francqui; and between Leopoldville and Matadi, both in the Republic of the Congo. Grasslands between forests and deserts are subject to air observation during the day, but wooded stream valleys could afford protection from observation by day, and cross country travel at night under the open sky is practical and is difficult for security forces to control. Very dry areas, such as parts of South-West Africa or Bechuanaland, however, offer few opportunities for concealment, present better operating conditions for military and security forces, and are generally less favorable to insurgents in terms of unassisted survival. Dry areas, nevertheless, offer more suitable conditions for air support than do wooded areas for both dissidents and security forces.

Heavily populated areas can be vulnerable to actions of dissident groups

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if the general population is unsympathetic to the mission of local security forces. The semi-skilled industrial worker by day could very well be the man security forces seek after dark. Nevertheless, industrialized areas of the Republic of South Africa, the Copperbelt of Northern Rhodesia, and the Katanga of the Congo, and most ports are not suitable areas of operation for large bands of dissidents, but rather offer opportunities for small well-trained groups that can mingle undetected with the local population and engage in sabotage operations. In fact, most of the parts of the transportation system do not contain the conditions normally regarded as important for guerrilla operations in force.

3. The Congo-Angola Route

The most promising part of the transportation system which could be used by a large scale guerrilla operation is the territory along the railroad line from Kolwezi in the Katanga, across Angola to the port of Lobito. With the consent of the government of the Republic of the Congo, training bases for insurgents for use against Angola could be expanded. Volunteers from other African countries could be infiltrated and substantial logistic support could move into the Congo through Matadi, Point Noire, and Dar es Salaam by sea and thence by rail, highway and water transportation to training and staging bases, and by air transportation to the principal airfields in the Congo. Insurgents and their supplies could be dispersed along the railroad and road between Kolwezi and the Angolan border, and then traditional guerrilla operations could be mounted along the Benguela Railroad and the parallel highway. A reliable transportation route from the Congo for insurgent

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reinforcements and logistic support would be available as well as a safe haven into which the guerrillas could retreat if necessary.

The railroad and parallel highway in Portuguese hands would also support logistically a tremendous force for the capacity of the Benguela Railroad, and the road in Portuguese hands, would supply over 150,000 troops engaging in a security type of operation against guerrillas. Although such a force is far in excess of one that Portugal can deploy against insurgents (See Appendix D) there are other considerations which would place Portugal in a favorable positon to counter insurgency in this territory. The chief current outlet to the sea for Katanga's exports -- the Benguela Railroad -- would be denied the Congo. The Portuguese could also counter by blocking the channel in the Congo River between Matadi and the sea, and thus deny the Congo the second most important outlet when the "Route Nationale" has been restored. Further, the Portuguese could deny the Congo the use of the Indian Ocean ports of Beira and Lourenco Marques which are reached from the Congo by rail via the Rhodesias. The only remaining outlets for Congolese exports and the receipt of imports would be the low capacity, circuitous and costly route by way of Albertville, Lake Tanganyika, and Dar es Salaam; the long-distance route to South African ports via the Rhodesias; [redacted] the "Route Nationale" using the port of Brazzaville rather than Leopoldville; and the railroad and highway from Brazzaville to Point Noire rather than the routes from Leopoldville to Matadi.

The extent to which Southern Rhodesia and the Republic of South Africa would cooperate with the Congo in the face of impressive Congo-supported insurgency

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against Angola is questionable. Moreover, the low capacity of the port of Brazzaville and the current use of the Brazzaville-Point Noire route by the Brazzaville Congo would not make this route an adequate substitute for the Leopoldville-Matadi route. In view of these considerations the Congo may find available only one route to the sea -- Albertville, Lake Tanganyika, Dar es Salaam -- as a consequence of the support provided the insurgency along the Benguela Railroad.

4. The Tanganyika-Mozambique Route

There is a second transportation route which could be used by a large guerrilla force and from which operations could proceed against the Portuguese. This route extends by road from Tanganyika into the northeast corner of Northern Rhodesia, and thence to the railhead of the Nyasaland Railroad at Salima. Insurgents and logistic support could be deployed from Tanganyika, a safe haven could be provided in Nyasaland and Tanganyika, and operations could proceed along the railroad against the Portuguese forces in Mozambique, although terrain in this area is even less favorable than that available for the first route and is more open than that normally regarded as favorable for guerrilla warfare. The capacity of the road leading to the railhead is low, but could, nevertheless, supply a considerable force of insurgents - say in excess of 30,000*. Logistic support provided by the road could also be augmented considerably by the use of an airlift in support of

* It is very difficult to quantify the size of this force. First, we have very little information on the average daily capacity of the route, but believe it to be in excess of 200 tons. Secondly, we have very little information on the daily supply requirements of insurgents. Assuming, however, that the former is 200 tons and the latter one ton per day for 160 men or 12½ pounds per man per day, than the insurgents that could be supported would be in excess of 30,000.

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the insurgency. The Trans-Zambesia Railroad and the Nyasaland Railroad, to the extent that they are held by Portuguese forces, and the road that leads from Mozambique to Nyasaland would support a force in opposition to the insurgents numbering also in excess of 150,000 men. Nyasaland, the host to the insurgency, would be denied the traditional and most economical route to the sea at Beira. Moreover, normal and important trade by rail with the Rhodesias would also be interrupted. The long, poor highway route from Nyasaland to Tanganyika would not provide the alternate support needed for the economy of Nyasaland, even though new trading partners could be developed and access to world markets could be obtained through Dar es Salaam.

5. The Northern Rhodesia - Southern Rhodesia Route

The rail and road routes leading from the Congo through Northern Rhodesia into Southern Rhodesia might also be used by guerrilla forces. Here again, the Congo and Tanganyika, as well as Northern Rhodesia, could be used as troop training and staging areas as well as sources of logistic support. The transportation systems involved would provide impressive logistic support for both insurgents and opposing [redacted] forces. Here also the cost to the market economy of the host country of such massive insurgency operating along the transportation routes of Northern Rhodesia into Southern Rhodesia would be great. Northern Rhodesia would be denied its traditional access to the sea and trade with Southern Rhodesia, the Republic of South Africa, and Nyasaland. The railroad route from Northern Rhodesia through the Congo to the Benguela Railroad and thence to Lobito

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would provide an alternate access route to the sea if the Portuguese were to cooperate with Northern Rhodesia. It is doubtful that the Portuguese would cooperate, but even if they were to do so, lack of coal from Southern Rhodesia would make it impossible for the Northern Rhodesian railroads to move sufficient tonnage to meet the requirements of the economy as well as the transportation requirements of the insurgency.

6. Outlook

If insurgents decide to use the inter-territorial routes for their purposes, parts of the same routes can be used by the better trained and equipped military and security forces of the various governments. As a consequence, the same or greater capacity for logistic support will be available to these forces. It would therefore appear to be a matter of years before insurgent forces can seriously attempt to seize and hold parts of the inter-territorial routes. The inability to seize and hold, however, would not preclude small bands of guerrillas operating out of the Congo, Nyasaland and Northern Rhodesia from conducting sabotage operations against the routes leading into Angola, Mozambique and Southern Rhodesia. Operations to seize and hold or to affect the routes through critical sabotage would both have serious consequences on the market economies of the territories which may be hosts and sponsors of the insurgency. These consequences for the market economies will be so great that it would be logical for these territories to insist that no operations be conducted against the inter-territorial routes. If the tide of African nationalism becomes great enough, nevertheless, the non-white governments may be

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unable or unwilling to prevent such operations. In this event they will have to suffer the consequences which will fall predominantly on the market economies rather than the subsistence economies.

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APPENDIX A

POLITICAL CONSIDERATIONS WITHIN THE AREA

I. ANGOLA

A. Internal

Angola is a Portuguese "overseas province", tightly governed from Lisbon by a policy which smacks of old-fashioned mercantilism. Occasional efforts to give an appearance of liberalization notwithstanding, the Salazar regime has refused to grant any significant autonomy to the province. Lisbon's attitude has stimulated occasional thoughts of separatism, particularly among the 190,000 Angolan whites; its heavy-handed control of the 43,000 Portuguese troops in the territory has aroused discontent among them in the past. There has been some talk of an anti-Salazar alliance including oppositionists in Portugal, Angolan white separatists, elements of the military, and perhaps some of the more sophisticated Angolan mulattos and Africans. Such a multiracial alliance has a better chance of developing in Angola than in South Africa or Southern Rhodesia, where racial feelings are much more intense. However, pressure from African rebels on all these discontented Angolan elements seems likely to keep them from uniting, and the chance of effective active opposition to Lisbon from these sources fairly remote.

The official Portuguese racial policy is one of complete assimilation. Although it is true that race relations are better under Portuguese rule than they are in Southern Rhodesia or South Africa, in practice there is still a deep gulf

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between white Portuguese and the mass of backward Africans. Mulattos and the few educated Africans occupy an ambiguous position, but most of the politically articulate representatives of these communities appear to be identifying themselves with African nationalism.

The African rebellion which broke out in March 1961 is barely maintaining itself. After an initial rash of fairly widespread and largely spontaneous outbreaks, it was confined to one relatively small area in extreme northwest Angola; its spread to other areas has been hindered by the rebels' inadequate equipment and training, by lack of sympathetic tribal support outside the present disturbed area, and by the fact that much of the rest of the territory lacks the rough terrain and dense ground cover which aids guerrillas in northwestern Angola. This situation appears unlikely to change appreciably until Portuguese military and economic resources are weakened by this and other rebellions, or until the rebels have gradually acquired enough training and field experience to alter the military balance.

The group behind the rebellion is Holden Roberto's Union of Angolan Peoples (UPA), which is essentially the political and military organ of the Bakongo tribal group of northern Angola. Roberto has close ties with Congolese Premier Adoula and other Congolese leaders; they have given him a limited amount of aid and have permitted him to set up a training camp about 70 miles south of Leopoldville. Leopoldville has also recognized Roberto's government-in-exile -- the only government to do so thus far.

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Roberto has received small amounts of money and arms from Tunisia and Algeria and his militants have been trained in both countries. Aid from these latter sources has been kept to a trickle by the problem of transportation between North Africa and the Congo, however. In addition, Roberto -- as well as the Congolese in Leopoldville -- has been reluctant to respond too favorably to offers of massive aid from Algeria for fear of the influx of Algerian military men into the Congo and Angola which would presumably follow. Thus a rapid increase in the UPA's military capability is unlikely. Roberto opened an office in Elisabethville as soon as central government authority was established there, but he has not managed to spark an uprising in neighboring parts of Angola. The UPA has so far shown no capability for sabotaging the Benguela Railroad.

The UPA's rival, the Popular Movement for the Liberation of Angola (MPLA), seems to have no effective following inside Angola. Its leaders, however, especially such intellectuals as Agostinho Neto and Mario de Andrade, cut a more impressive figure in foreign capitals than does the provincial and rather poorly educated leadership of the UPA. Many of the top MPLA figures are mulattos (Neto, the president, is an African), and several of them were educated at Portuguese universities where they gravitated into Communist-influenced movements. The MPLA is still tinged with Communism, although Neto seems to have been trying to move it toward neutralism since he became president a year ago. Roberto, by contrast, was educated in Protestant missions in the Congo and Angola and seems to have a genuine distrust of Communists. There have been recent indications of a split within the MPLA following the Congolese government's recognition of Roberto's government-in-exile.

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Most of the MPLA's training and material support has come from Morocco and Algeria. So far, with the Congolese government favoring the UPA and with the most easily accessible area inhabited by UPA sympathizers, it has not been able to move its followers into Angola. If it should manage to do so, and if it can overcome the handicaps of its factionalism and its predominantly mulatto hierarchy, the more cosmopolitan nature of its leadership might give it a somewhat broader base of potential support than the UPA.

B. Foreign Relations

The Portuguese maintain an embassy in Leopoldville which serves mainly as a listening post. They probably will try to preserve at least a minimum of official contact with the Adoula government. At the same time, however, Angola has allowed thirty or more Katangan mercenaries to camp just over the border in eastern Angola ever since the fighting stopped in January 1963. Portugal clearly stands to benefit as long as elements unsympathetic to the Angolan rebels have some say in Congolese affairs, and it presumably will try to support these elements to the best of its limited potential.

Angola holds considerable economic leverage over both Katanga and Northern Rhodesia in its control of the Benguela Railroad and the port at Lobito. There have been no signs that Africans in either territory have worked out any feasible way of exporting their minerals except via Lobito, Matadi, Beira, or Lourenco Marques, although the Northern Rhodesians are trying to promote the idea of a rail line to Dar es Salaam. Portugal would be reluctant to forego an important

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source of revenue by closing the rail line, but the mere existence of the threat will probably inhibit the support which Africans such as Kenneth Kaunda give to Angolan exiles.

Angolan authorities have joined in defense and intelligence talks with other white-dominated governments in the area. These consultations will probably become more comprehensive as African nationalist pressure increases.

C. Treaties Affecting Transportation

Most of Angola falls in the free trade area defined by the Congo Basin Treaty of 1885. However, since Lisbon exercises tight control over Angolan trade, by currency restrictions and other measures, the treaty is of little value. The treaty, if faithfully followed, would prevent the Portuguese from interfering with navigation on the lower Congo River, whose channel at one point passes through Angolan territory. Portugal presently seems to lack the will or the ability to interfere seriously with river traffic, however. All dredging, in Portuguese as well as in Congolese territory, is carried out by Belgians. No other treaties affecting transportation are known to exist.

II. REPUBLIC OF THE CONGO (LEOPOLDVILLE)

A. Internal

Since the end of the fighting in January 1963, the Adoula government, with UN aid, has established a presence of a kind in Elisabethville. As is the case over most of the rest of the country, central authority can only be exercised through local leaders, most of them tribally based and few of them with any inherent

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sympathy for the Leopoldville government. The Katangans, like other Congolese, lack the power to rebel against Leopoldville and the UN; at the same time, the central government and the UN cannot establish an effective provincial government on their own. For these reasons the cast of characters in Katanga is changing only slowly, and the new faces are unlikely to ameliorate Adoula's problems.

In the past few months, with Elisabethville and Leopoldville politics working directly on each other, each has become somewhat more unstable and unpredictable. Tshombe appears to have failed in his efforts to carve out a niche for himself in national politics, and he is under attack from younger elements in the Katangan legislature. In his efforts to stay on top, Tshombe apparently has tried to line up the support of everyone from radical Congolese to the Verwoerd government in Pretoria. The Leopoldville government knows something of his activities and may try to arrest him. Adoula, who recently has shown no decisiveness or initiative, has nevertheless managed to weather a series of parliamentary attacks on himself and his associates. An end to the drift in central government policies is not in sight.

In this morass, Union Miniere and other mining companies seem to be trying merely to go about their business with as little fuss as possible. Union Miniere is now paying all of its taxes to Leopoldville, and Adoula appears to recognize the importance of this contribution. He has been highly reluctant to incur the displeasure of the mining companies, as he presumably would do if he insisted that a significant part of their production be shipped out via the "Voie Nationale"

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to Matadi (in any case, this route reportedly will not be open until late August 1963 when two key bridges are scheduled to be replaced). The Angolan rebels presumably would like to persuade him to undermine the Angolan economy by diverting traffic from the Benguela Railroad, but so far they have had no success whatever. If nationalist radicals in parliament continue to attack Adoula, he might require a partial rerouting of traffic as soon as the route to Matadi is open. He probably would not try to impose on Union Miniere complete dependence on the "Voie Nationale", however.

B. Foreign Relations

Adoula has proclaimed a policy of non-alignment, but he is clearly pro-Western. He is usually preoccupied with local problems, however, and has not given much attention to foreign affairs. He maintains close ties with Holden Roberto of the UPA, but partly out of governmental inefficiency and partly because the Congolese are unwilling to see the Angolan rebels become too powerful, material assistance to the rebellion has been strictly limited. Roberto and his

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followers are also faced with the resistance of powerful Bakongo leaders in the Congo, including President Kasavubu, who would like to keep the Angolan Bakongo weak in hopes of eventually forming a unified tribal state.

C. Treaties Affecting Transportation

The Congo is, of course, within the area of the Congo Basin Treaty, but customs is one of the government's main sources of revenue. Tariffs thus tend to be higher than the treaty would permit. The government's tariff policy is chaotic, and its application is vitiated by smuggling, both into and out of the country. Financial experts advising the government hope to set up a more ordered customs regime, one which will discourage the import of luxury goods, for instance. No progress in this direction seems likely in the near future. No other treaties affecting transportation are known to exist.

III. FEDERATION OF RHODESIA AND NYASALAND

A. Internal

The Federation is a complex and unique constitutional phenomenon. Set up in 1953 over African objections, it amalgamates the two British protectorates of Northern Rhodesia and Nyasaland with Southern Rhodesia, a colony which has had almost complete internal autonomy since 1923. The Federation is not independent, even though the federal prime minister attends Commonwealth conferences; in practice, however, Britain has very little direct influence on the policies of either the federal or the Southern Rhodesian governments. In both cases it remains theoretically the supreme authority, but it has never exercised this authority without at least the acquiescence of the governments concerned.

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Africans (who number 3.7 million in Southern Rhodesia and almost 3 million in each of the other two territories) have long held that the Federation was set up to subordinate them to the some 225,000 whites in Southern Rhodesia. They have, therefore, never become reconciled to it despite its obvious economic advantages. Britain has allowed African-dominated governments to take office in the two northern territories, and by the spring of 1963, it had acknowledged the right of both of them to secede from the Federation as a further step toward their full independence. These concessions presaged the end of the Federation as presently constituted, and the process of dissolution is now scheduled to be completed by 31 December 1963.

Dismantling the Federation will be a complex and difficult job. At present only the bare outlines of future interterritorial relationships can be indicated with any assurance. It seems likely that Nyasaland will break its financial ties almost completely. A few financial and transport links (such as the railways and airline, the power complex at Kariba Dam, and perhaps a common currency) may be preserved between Northern and Southern Rhodesia, but the African nationalists who will control Northern Rhodesia will probably try to limit imports from Southern Rhodesia. Independence dates for the three territories cannot be predicted. Southern Rhodesia is demanding independence no later than either of the other territories. Britain insists that substantial concessions to Africans are a prerequisite to independence, but its room for maneuver is limited by the possibility that the white-supremacist government of Winston Field will declare itself independent unilaterally. At present it appears probable that Field will back away

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from his independence demand for the time being. Britain hopes to grant independence to all three territories at about the same time, but it may have to pull out of Nyasaland before the other two territories are completely disentangled.

At present, railways and airlines come under the jurisdiction of the federal government (the railways in Nyasaland, a complex of privately-owned companies, are a special case). Road construction and maintenance is a joint responsibility of the federal and territorial governments, with the territories doing most of the field work. When the Federation is dissolved, the railways in Northern and Southern Rhodesia probably will retain some kind of unified administration, and responsibility for roads will probably revert to the territories. Political uncertainty will probably continue to limit the railways' revenue and restrict road construction and repair expenditures.

Kenneth Kaunda and many of his lieutenants in Northern Rhodesia have been relatively moderate in their approach to the question of economic relations with Southern Rhodesia. They appear to hold better economic cards than the Field government, however; these are discussed in Appendix B. Thus, even if the federal breakup proceeds peacefully, and the greatest possible number of economic ties is retained, it seems doubtful that Southern Rhodesia will be permitted to hold all the commercial privileges it now enjoys in Northern Rhodesia.

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Southern Rhodesia has been the scene of occasional acts of sabotage, most of it even more poorly organized than that in South Africa. The Field government, by harsh legislation and strict enforcement, has sharply reduced the incidence of sabotage. It has also exposed the weakness and indecision of the present African nationalist leaders, most of whom recently fled the country. Southern Rhodesian Africans are receiving training in subversion abroad, but their effective employment inside the territory probably will have to await a shake-up and streamlining in the nationalist movement. The extent to which the nationalists resort to sabotage and other violence will also depend on the degree to which they believe their desires are being protected by Britain in its dealings with the Field government; a breakdown in these negotiations could lead to a resumption of violence, especially if it were accompanied by a Southern Rhodesian declaration of independence. If the nationalists are able to initiate sabotage and terrorism, they might have a greater effect than in South Africa, since Southern Rhodesia lacks South Africa's economic and military strength.

B. Foreign Relations

Formally, none of the three territories has any competence in the foreign relations field, and the Federation itself exercises only such responsibilities as are delegated by Britain. Informally, however, each group of importance in the Federation has ties abroad, particularly with neighboring countries.

The white-dominated federal and Southern Rhodesian governments (whose officials usually are members of the same "Establishment" or ruling group)

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have been in unofficial contact with defense and security organizations in South Africa and the Portuguese territories for the past few years. These contacts are likely to increase in the future, particularly since Southern Rhodesia occupies a strategic position for intelligence-gathering purposes. Documents recently captured by the Congolese government in Elisabethville reportedly indicate that there have been vauge attempts at coordinated covert action involving federal Prime Minister Welensky, Katanga President Tshombe, and Portuguese and South African officials. As African nationalism moves southward, activities such as these will probably become more intensive, but there is little likelihood that they will be particularly effective.

Nyasaland occupies a unique position among African-dominated countries, since it is almost completely dependent on its outlet to the sea through Mozambique. Nyasaland Prime Minister Hastings Banda, essentially a provincial figure who has few ambitions outside his own territory, has worked out a correct and even cordial relationship with Portuguese authorities in both Lisbon and Lourenco Marques. To preserve his access to the sea he can be expected to restrict Mozambique African activities, although he could not discourage them entirely without tarnishing his reputation as an African nationalist. His principal lieutenants are far more radical and ambitious than he, and if he left the scene (he is 57), Nyasaland's attitude toward Mozambique would probably become more belligerent.

Africans in Northern Rhodesia have a complex array of ties with outside groups. Harry Nkumbula of the African National Congress was subsidized for many months by Tshombe and tried to promote the cause of Katanga secession; his current partner in

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the Northern Rhodesian coalition government, Kenneth Kaunda, has long favored Katanga's integration with the rest of the Congo. Kaunda is currently president of the Pan-African Freedom Movement for East, Central and Southern Africa (PAFMECA), which is trying to foster federal ties throughout eastern and southern Africa. Nkumbula has few ties with Africans outside of Northern Rhodesia. This dichotomy, with Kaunda favoring federations in general and the Leopoldville central government in particular, while Nkumbula takes a narrower outlook, is likely to continue until a new constitution is worked out in six months or a year; thereafter, Kaunda's majority in the legislature will probably be large enough to allow him to form a government of his own and Nkumbula's importance will decline.

Both Northern Rhodesia and Nyasaland would like to form ties with African states to the north and east, thereby reducing their dependence on Southern Rhodesia and Mozambique. They have found an eager collaborator in Tanganyika President Julius Nyerere, who has long been agitating for a federation which would include much of east and central Africa. Kaunda in particular has close ties with Nyerere; Banda himself has shown little interest, but some of his lieutenants seem to be getting involved in the Tanganyika president's project. Formation of close economic ties presumably would lag far behind the establishment of a loose political federation.

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C. Treaties affecting transportation

The federation is a member of GATT, and its trade agreement with South Africa is mentioned below. The Congo Basin Treaty of 1885 and subsequent years, which forbids the establishment of hindrances to trade and transportation in the treaty area, technically applies to all land between the Zambezi and latitude 5°N.; however, it has not been applied to Northern Rhodesia and Nyasaland (which otherwise would be governed by it) since 1957. Details of treaties covering construction and maintenance of an oil pipeline which is to transport crude oil from Beira to Umtali' have not been divulged. No other government-to-government agreements regulating transport are known to exist.

IV. Mozambique

A. Internal

Mozambique, like Angola a Portuguese "overseas province," is one of the most backward territories in Africa. Even more than in Angola, the 6.5 million Africans lack the sense of national identity which is present to a significant extend in South Africa and the territories of the Federation.

Of all the Africans in Mozambique, some of the least advanced are those who inhabit the borders near Tanganyika and Nyasaland, the two territories most often named as potential safe havens for a rebellion like Angola's. Moreover, Mozambique's economically important areas and its concentrations of white population are in the southern half of the territory; this contrasts with northern Angola, which contains the territorial capital and is also an important coffee-growing area. In addition,

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most of Mozambique's terrain, including almost all of that along the northern frontiers, is too open for guerrilla warfare. Finally, Mozambique ports are important to the white-dominated inland areas of the Transvaal and Southern Rhodesia; Beira and Lourenco Marques, together with Lobito in Angola, are the only economic outlets for Northern Rhodesian copper (although the reverse is also true, that Mozambique profits greatly from the Northern Rhodesian copper that it handles) and Nyasaland is completely dependent on its rail line to Beira. Thus, a nationalist rebellion has been even harder to stir up in Mozambique than it was in Angola; support is not likely to be wholehearted from some of the Africans who dominate the neighboring territories and who would be fearful of Portuguese reprisals and whites in inland areas can be expected to be deeply involved in the defense of the territory, or at least of its southern half.

Mozambique African exiles are generally a disunited, unprepossessing lot. Their organizations have undergone many metemorphoses. but the most durable group is probably the Mozambique Liberation Front (Frelimo), whose president is Eduardo Mondlane, the only Mozambique African with a doctor's degree. Frelimo members are undergoing military training abroad. Their capability for stirring up a rebellion is highly questionable, but they might be able to disrupt service on the Beira railroad(or on the soon-to-be-built oil pipeline to Umtali, which will follow roughly the same route) if they could persuade Banda to let them use Nyasaland as a base for sabotage forays to the south. So far Banda has been extremely circumspect in his relations with the Portuguese authorities, but he presumably will feel constrained

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to conform to the canons of African nationalism and permit some exile activity. Similar operations might be mounted, although with far more difficulty, from Northern Rhodesia; again, however, economic consideration will limit the willingness of even a radical African government to countenance such activity.

B. Foreign relations

Mozambique's external relations are similar to those of Angola, with the proviso that its strategic importance for neighboring territories is much greater. Hence it is more closely tied to these territories. Defense and intelligence coordination with South Africa and the Federation may be somewhat more intensive in Mozambique than in Angola.

C. Treaties affecting transportation

The transportation treaty with South Africa is discussed below. As noted in the section on the Federation, details of the agreement covering construction of the Beira-Umtali pipeline are unavailable. That part of Mozambique north of the Zambezi is technically subject to the Congo Basin Treaty, but as in the case of Angola, the treaty has little practical value.

V. Republic of South Africa

A. Internal

South Africa is an independent republic of nearly 16,000,000 persons (1960 census), whose political, social, and economic life is controlled by the white community of almost 3 million. The other principal racial groups are the Bantu or Africans (11 million), the Asiatics (430,000), and the Coloreds or persons of mixed

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blood (1.5 million). Under the doctrine of apartheid (separate racial development), the South African government has enshrined each of these broad racial groupings in law and is trying to separate them as completely as possible in fact. At the same time, there are cultural divisions within each group which have had almost as profound an effect on the country's history as have the racial divisions. Thus the tension between Afrikaners (60 percent of the whites) and English-speaking South Africans (40 percent) was for years the most important fact in politics. Cleavages within the Colored community have rendered it disunited and impotent. Rural Africans, who comprise some two thirds of the African population, are usually politically inarticulate and are concerned mainly with local and tribal problems. Urban Africans, although far more sophisticated than any group of comparable size anywhere else in Black Africa, are still divided, poverty-stricken, and generally incapable of presenting a united front.

In formal structure, South Africa is a parliamentary democracy modelled on Great Britain, with a ceremonial president replacing the queen as head of state. In fact, since 1948 the parliamentary structure has become little more than a shell, with real power concentrated in the executive. Through a combination of good organization, appeals to community solidarity, and gerrymandering in the constituencies, the Afrikaner community's Nationalist Party has achieved an overwhelming parliamentary majority (currently 105-51 in the all-important lower house). It is now using this majority to pass measures which transfer authority to the executive and insulate the administration from inteference, either from parliament or from the independent

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and highly respected judiciary. It justifies these measures partly on the ground of necessity, following the recent upsurge in African nationalist activity, and partly on the fundamental tenets of its apartheid policy.

The program of apartheid aims at setting up selfsufficient areas in which Africans will have progressively greater amounts of autonomy. (Apartheid policy for the other non-white groups has been equivocal, since these communities are too small or too scattered to be administered in their own territorial units). African workers in the cities, on whose cheap labor most of the economy is based, will be allowed to remain, but reliance on them is to be reduced and they are to be encouraged to help develop their own "homelands" or"Bantustans." Although the government has recently stepped up its development programs, full implementation of the "Bantustan" policy would cost far more than the whites appear willing to spend and would also drastically change the country's economic fabric. Nevertheless, the Verwoerd government, glossing over these economic difficulties, is putting the political aspects of the program into effect as quickly as possible. By November 1962 six territorial governments out of a planned seven or eight had been set up in the "Bantustans;" in the spring of 1963 the most advanced of these, the Transkei, received a new constitution which granted a severely limited amount of internal autonomy and provided for an African prime minister.

Africans in the "Bantustans" have not accepted the political and economic changes in their traditional way of life with complete docility; there are, in fact, periodic attempts to assassinate the government-appointed chiefs, and the Transkei

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has been governed under emergency regulations since mid-1960. Security problems in the rural areas have also been complicated by the presence of hoodlums and African nationalists whom the government has been expelling from the cities for the past three years. The "Bantustans" are remote, backward areas, however, whose main importance to the national economy is their value as a labor reservoir for the mines and cities. Unrest in these areas keeps part of the security forces tied down and provides ammunition for opponents of apartheid; otherwise it has little bearing on politics in the rest of the country.

In the cities, active opposition to the government is largely underground. Most of the activists are non-whites, aided by the illegal and largely white Communist Party and by some members of the anti-Communist Liberal Party. There are two groups of activists: the African National Congress (ANC), principal component of the Communist-dominated, multiracial "Congress Movement" and advocate of a moderate approach to racial questions; and the Pan-Africanist Congress (PAC), an anti-Communist group which makes a strong appeal to African racism. Both these groups in the past two years have been involved in acts of violence. The ANC, operating through an action arm called "Spear of the Nation," has emphasized secure conspiratorial techniques, tries to husband its resources, and concentrates on sabotage with minimum danger to human life. It escaped police counteraction until mid-July 1963, when its headquarters near Johannesburg were raided. The PAC, whose activist wing is named Poqo, stresses terrorism above sabotage. Its call for racial violence has great appeal for the mass of semi-educated Africans, but so far it has been less well-disciplined than "Spear of the Nation"

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and can do no more than stimulate short-lived, semi-spontaneous local outbreaks. Neither group has any chance of overthrowing the government at present.

Nevertheless, both groups, and "Spear of the Nation" in particular, do have some sabotage capability. Bombings, arson, cable-cutting, and similar acts have been taking place sporadically since 1961, and in the past few months some of these efforts--such as the blowing up of the offices of a pro-government newspaper in Durban last January and the sabotage of military vehicles in March--have been effective enough to increase white uneasiness. The main target of the saboteurs seems to be government installations, but there have been reports that "Spear of the Nation" and Poqo have also designated key targets in the transportation system, such as power stations and road and railway bridges. On two or three occasions earlier this year, rail traffic in the Johannesburg area was disrupted by explosions in power substations. At one time the main line from Johannesburg to Durban was disrupted briefly by a similar explosion.

Sabotage of targets outside the transportaton system has occurred fairly frequently in Johannesburg and somewhat less frequently in Durban, Port Elizabeth, and Cape Town; there have also been a few amateurish attempts in most of the other urban areas. Members of both PAC and ANC reportedly are taking sabotage training abroad, notably in Ghana, Morocco, Algeria, Tanganyika, and possibly some countries of the Sino-Soviet bloc. Outside assistance presumably will be stepped up following the recent Addis Ababa conference. There have been reports that trainees from

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both movements are beginning to return to South Africa. Anti-government groups are still no match for the country's security forces, however, and are likely to lack the ability to coordinate a widespread sabotage effort for several years. Over the next three or four years, therefore, although occasional instances of terrorism and sabotage are likely to continue, the government is not likely to be seriously threatened by internal subversion.

B. Foreign Relations

While South Africa's official ties with the Afro-Asian and Sino-Soviet blocs have long been bad or nonexistent and its relations with the West are steadily becoming more strained, the threat of militant African nationalism is forcing it into cooperation with white-controlled governments in neighboring territories.

The Afrikaners who dominate the South African government have little in common with either the Portuguese in Angola and Mozambique or with the whites of British extraction in the Federation of Rhodesia and Nyasaland. Indeed, the ostensible Portuguese policy of complete racial assimilation and the Federation's widely proclaimed multiracialism--however much they are contradicted in practice--are diametrically opposed to the aims of apartheid. Moreover, the black-white ratios in the other territories (almost 5 million to 200,000 in Angola, 3.7 million to about 225,000 in Southern Rhodesia, 6.5 million to nearly 100,000 in Mozambique) are far from attractive to South African whites.

It is only in the past two or three years, when most of the other territories on the continent have come under African control and have stepped up their agitation

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against the "white redoubt" in the south, that the various white governments have overcome their antipathies. They all appear reluctant to conclude a formal defensive treaty; nevertheless, informal consultations among defense and security officials have occurred with increasing frequency. It seems likely that South Africa would provide considerable assistance to the white governments in the north from its own armaments industry if these governments were endangered by a serious outbreak of insurgency. It probably would also acquiesce or connive in the recruitment of "volunteers," as it did during at least part of the Katanga secession struggle. If there is a prospect of African advance without a prolonged breakdown in the security situation, as may still happen in Southern Rhodesia, Pretoria would find it hard to intervene decisively and might have to withdraw to defensive positions south of the Limpopo. In any event, South African troops in uniform and major pieces of materiel would be sent out of the country only if the government thought that its own interests were directly affected and that overt intervention would reverse a deteriorating situation (for instance, if African nationalists appeared likely to seize the port of Lourenco Marques, if a full-scale rebellion were to develop in Southern Rhodesia, or just possibly if an African takeover appeared likely in Angola.

The Three High Commission Territories (Basutoland, Bechuanaland, and Swaziland) are administered directly by the British Colonial Office but are integrated economically with South Africa. All three are dependent to varying degrees on South Africa, and they all serve as safe-havens for African nationalists from the Republic. The Verwoerd government has made vague hints that it will invoke economic

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sanctions unless these nationalist exile activities are curbed. Sanctions would paralyze the economies of all three territories, except possibly Swaziland. It seems likely, however, that the important rail line across Bechuanaland (operated partly by South African Railways and partly by Rhodesia Railways) would be seriously affected.

C. Treaties Affecting Transportation

South Africa is a member of GATT, and it also has a special trade treaty with the Federation of Rhodesia and Nyasaland. The only agreement directly affecting transportation is a treaty between South Africa and Portugal, first signed in 1909 and renegotiated in 1928. Under this treaty 47.5 percent of the sea-borne goods imported to the Johannesburg, Pretoria, and Vereeniging areas are routed through Lourenco Marques. In return, the mines in the Transvaal recruit a large percentage of their African labor from Mozambique. South Africa has long been trying to reduce the Lourenco Marques traffic quota, and the treaty is presently being renegotiated.

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APPENDIX B

THE ECONOMY OF THE AREA

I. ANGOLA

GENERAL

Angola is populated by 4.6 million uneducated and unskilled Africans, living for the most part in tribal societies on the subsistence level -- and by 0.2 million largely uneducated, very conservative and rather unimaginative Portuguese and mulattoes. At least until recently, the Angolan economy has been shaped to serve the interests of Metropolitan Portugal, producing primary export commodities and importing nearly all the manufactured goods which it consumes. Based thus on the production of a small number of agricultural and mineral commodities, the country is extremely vulnerable to fluctuations in the world market prices and to the policies of Metropolitan importers. The government has restricted the entry of non-Portuguese capital, erected barriers against competitive foreign imports, and largely ignored development of the economy. It is still without the infrastructure necessary for [redacted] self-sustaining economic activity.

Some of the results of these measures can be seen from an examination of their effect on Angola's currency and balance of payments. Angola customarily runs favorable trade balances with non-Portuguese areas, e.g., the United States and the United Kingdom; but these surpluses are usually cancelled out by the Province's huge negative trade balance with Portugal. In addition, a large volume of invisible transfers are made each year to Portugal in the form of profits, freight charges, and personal remittances. Thus, Angola's over-all balance of payments is usually very unfavorable -- a situation which recently has resulted in the imposition of severe import and exchange restrictions by the Province.

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About 480,000 square miles in area, Angola is thinly populated -- about 10 inhabitants per square mile -- and the population is growing at a little more than one percent a year. The greatest concentration of Portuguese and mulattoes are found in the main cities and along the Benguela and Luanda rail lines which serve the sisal, cotton and coffee producing areas. The principal cities are Luanda, the capital, Lobito, Benguela, and Mocamedes, all on the Atlantic coast. The only inland towns of any importance are Malanje, Nova Lisboa, Silva Porto, and Sa da Bandeira, all of which are sited on railroad lines. About 8 percent of the total population lives in urban areas, with approximately 5 percent of the people residing in Luanda, the largest city.

Since 1959 Angola has been experiencing an economic recession; since 1961 this has been complicated by a persistent native rebellion centered in the north and supported by men and supplies entering from the Republic of the Congo. Direct and indirect costs attributable to the rebellion are estimated at more than $200 million annually. The rebellion has resulted in an accelerated road building program, and in somewhat greater Portuguese efforts to develop the economy and improve the condition of the native Angolans. Recovery from the recession, however, is far from complete and the economic prospects for this primitive and unsettled economy are cloudy.

Sectoral Description of the Economy

Agriculture is by far the most important sector of the Angolan economy and will continue so into the foreseeable future. It provides sustenance for both African and European farmers and is the source of nearly two-thirds of Angola's

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export earnings. In 1961, agricultural products accounted for more than 60 percent of total exports and light manufactures for about 15 percent. See Table 1.* As ma be expected for an economy based largely on extractive industries, Angola's main imports consist of manufactured goods -- textiles, machinery and foodstuffs. In addition, a shortage of locally produced fuels requires the importation of coal.

The main agricultural products are coffee, corn, sugar, palm oil and palm kernels. Lesser crops include cotton, wheat, tobacco, cocoa, sisal, and wax. Approximately 2 percent of the total land area is used for cultivated field and tree crops which produce about three-fourths of Angola's export earnings. Coffee is the single largest export; European plantations and farms produce around 80 percent of the entire crop. The European producers also are responsible for all the sugar, sisal and wheat produced for export. Corn, cotton, beans and cassava are produced mainly on African farms.

Agricultural export production is concentrated in the hinterland of the Luanda port area; this region accounts for more than two-thirds of the coffee, more than one-third of the sugar, and nearly all of the cotton produced. About 168,000 tons of coffee were harvested in 1961, a year in which somewhat less than 20 percent of the crop was lost through rebel activities. Output rose to around 200,000 tons in 1962. The cotton crop also increased in the same period, production rising from 13,000 tons in 1961 to 22,000 tons in 1962.

Minerals account for a small but growing share of Angola's exports and offer some opportunities for the development of local industry. See Table 2.**

* Page 109 below.
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Diamonds have long been and still are the most important mineral export, but iron ore, copper and manganese are becoming increasingly important. In addition, oil has recently been found in economic quantities and crude production in 1962 amounted to 489,000 tons. A refinery established at Luanda is currently producing 11,000 tons of gasoline a year in excess of local demand, but gas-oil output is 20,000 tons short of annual requirements. These imbalances are being overcome by barter trade with Katanga.

The locus of oil production is the Tobias reserve which was tapped in late 1961 by Petrofina. Nine wells have been drilled, two are in production, and the other seven are expected to be brought in when the 8-inch pipeline linking Tobias to the Luanda refinery is completed.

Transport facilities for iron ore improved in 1962 when the 41-mile branch rail line linking the Cuima mines with the Benguela Railroad was opened in August. Iron is mined at the Lobito Mining Company's mines at Cuima, Cassinga, Andulo and Bailundo, as well as at the Angolan Manganese Company's mine at Quitota near Malanje. The current annual production of iron ore from these mines in short tons is as follows: Cuima mines, 551,150; Quitota mine, 220,460; Cassinga mines, 143,299. The annual output of the Cassinga mines is expected to increase to between 3 and 4 million short tons.

Other mineral production and the principal locations of significant mining operations include: diamonds from mines near Portugalia in the northeast; manganese ores from the Quitota mine; copper ores from mines at Bembe. See Table 2.*

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Industry in Angola is confined largely to the processing of primary products. The most important "industrial export" is fish meal. Other industrial exports of note are dried fish, canned fish and fish oil, vegetable oil, and sugar. In addition, small quantities of locally produced cigarettes and cement are exported.

Population and Labor Force

The available labor force in 1960 consisted of 56,400 Europeans including mulattoes, and slightly more than 2 million Africans. Of the total, approximately 310,000 workers, most of them completely unskilled, had been drawn into the monetary economy by 1962. Somewhat more than a million are thought to be self-employed on farms which produce some surplus for sale in good years. The rest -- nearly three-quarters of a million -- are completely immersed in the subsistence economy.

Portugal has been severely criticized for its long-held policy of forcing the Africans to work for at least six months of the year on plantations, roads and other establishments of the monetary economy. This policy of forced labor has been relaxed, in principle, in recent months. Unemployment both of Europeans and Africans has been severe since the onset of the recession in 1959, and the problem also has been exacerbated by the rebellion. At the same time, plantations in the north have been forced to import harvest labor for the last two years because a sizeable part of the local labor force has fled the troubled areas. Plans to resettle these people and to improve the state of African agriculture are now being put into effect, but their impact on employment and agricultural output is not yet clear. Aside from the shortage of capital and skills, one of the most serious impediments to enlarging the monetary sector of the economy is the reluctance of the African population to

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work with or for the Portuguese. This reluctance could become extremely important if the rebellion spreads or any other situation develop in which Portugal must depend on the help and support of the native Angolans.

Transport Facilities

The inadequacy of Angola's transport facilities is a problem of paramount importance to further economic development and to the maintenance of security. The lack of an adequate highway network or of other suitable transport facilities proved to be a severe obstacle to the effective conduct of the military operations against the rebels. Military needs and the high level of unemployment have combined to place a priority on investment in transport facilities. Road construction is expected to be most important, at least until the goal of 9,900 miles of all-weather roads is reached; air transport facilities are second in importance; railroad expansion and improvement fall into third or fourth place with port improvements. New additions to the railroad network are designed to open new areas to export trade and to tap recent finds of minerals.

Slightly more than 20 percent of government expenditures were to be devoted to transport facilities in the 1962 budget and 18 percent in the 1963 budget.* A Road Board has been created to improve, repair and construct new motor roads. Allocations to this alone were planned at over $15 million annually in 1962 and 1963. Other investments in transport facilities provided in the development plan are shown below.

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Funds for Communication and Transport
(in thousand US dollars)

		1962	1963
Total		10,907	8,391
Of which:	road construction	5,244	5,593
	railroad construction	2,167	1,224
	port improvements	2,657	734

Further details on the 1962 and 1963 budgets are shown in Table 3. See Table 3.*

Trade

The previous sections have indicated the importance of trade to the Angolan economy. Production for export forms a very important part of the monetary economy's activity, and the whole transport system has been designed to facilitate overseas trade. Revenues from import and export duties together accounted for around 15 percent of government receipts in 1962. See Table 3.*

Angola's major trading partner is Portugal from whom it gets over 40 percent of its imports and to whom it sends about 20 percent of its exports. Portugal's role in Angolan trade and finance has been treated earlier in the paper. The other major trading partners are the United Kingdom, the United States (which buys more than one-half of Angolan coffee exports), the German Federal Republic, and the Netherlands. Trade with other Portuguese territories, mainly Mozambique, accounts for roughly 3 percent of Angolan trade. The only other African country which provides a significant share of Angolan trade is the Republic of the Congo. Imports from the Congo account for no more than 1 percent of Angolan imports; however, about 4 percent of Angola's 1961 exports were destined for the Congo. In the main,

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such exports consisted of food items such as fish, beans, manioc, corn, rice and salt.

Exports to all of Africa in the last few years ranged from $9.6 million in 1959 to $11.8 million in 1961; thus, exports to other countries on the continent represented less than 10 percent of the total export. Imports from African countries in the same years ranged from $3.6 million to $4.4 million.

Principal Angolan exports by value and by volume are shown in Table 1. See Table 1.* Major imports by category in 1960 were as follows: machinery and transport equipment, 33 percent; other manufactures, 22 percent; food beverages and tobacco, 20 percent; and textiles, 12 percent.

Summary

The Angolan money economy, created and maintained largely for the benefit of the Metropole, is heavily dependent on a railroad system designed to facilitate the export of primary products. Interdiction or total disruption of the railroads would thus lead to a breakdown of the money economy. Internal trade, however, appears to be a relatively unimportant factor in the monetary sector. The very large proportion of Africans in Angola still attached to the subsistence sector would not be greatly affected, in the short run, by a collapse of the Portuguese-run economy. In the long run, however, a disruption of transport and, with it, of trade would undoubtedly cause great discontent among that part of the African population which makes individually small sales of surplus cash-crops for consumer goods. The effect of economic disruption, especially if combined with a full-scale rebellion, on Portugal's revenues from Angola, would be undoubtedly serious.

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Table 1

Angolan Agricultural and Industrial Exports 1960-61

Agricultural Products	1960 Short Tons	1960 US$'000	1961 Short Tons	1961 US$'000
Coffee	96,139	$44,188.	130,206	$48,890.
Sisal	63,868	13,127.	64,791	11,034.
Corn	129,086	5,766.	178,115	7,860.
Wood	100,696	3,414.	81,632	2,588.
Beans	12,995	1,178.	10,435	996.
Cotton	10,097	5,146.	4,541	2,413.
Beeswax	865	769.	757	697.
Oleaganous Products	15,940	1,827.	19,763	1,984.
Beef	685	245.	2,619	851.
Manioc	64,395	2,714.	63,233	3,140.
Others (Rice, tobacco, cocoa and hides)	6,980	1,327.	6,116	1,114.
TOTAL	501,746	79,701.	562,208	81,567.
Industrial Products				
Dried and Fresh Fish	15,358	2,705.	21,783	4,207.
Fishmeal	49,697	3,788.	55,489	4,713.
Canned Fish & Fish Oil	8,624	1,444	5,056	1,150.
Vegetable Oil	19,195	3,707.	21,958	4,125.
Sugar	41,197	3,276	40,353	3,435.
Others (Seed cake, cigarettes, cement)	15,448	767.	19,490	884.
TOTALS	149,519	15,687.	164,129	18,514.
Mineral Products(Total) *		29,279.		29,537.
GRAND TOTAL		124,667.		129,618.

*Excluding cement, see Table 2, page 110, below for volume, by type of mineral.

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Table 2

Production and Export of Principal Minerals in Angola 1961-1962

(short tons - 000 US dollars)

	1961				1962			
	Production		Export *		Production		Export *	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Diamonds (carats)	1,147,539	21,227	1,276,573	23,148	1,081,104	21,930	985,887	19,436
Iron Ore	895,228	2,039	545,079	5,010	830,714	2,034	503,133	4,684
Crude Oil	115,113	1,484	-	-	519,448	6,698	144,668	4,829
Copper	10,302	718	1,111	410	18,815	537	973	397
Manganese	22,695	299	24,447	478	14,089	165	5,937	191
Cement	172,537	NA	9,863	133	186,727	4,025	NA	NA

* The apparent discrepancy between production and export cannot be explained.

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Table 3

Angolan Budget - 1962-1963

(thousand US dollars)

	1962	1963 (est.)
Ordinary receipts	77,391	114,980
Ordinary expenditures	76,812	114,900
Extraordinary receipts	27,238	29,873
Extraordinary expenditures	27,793	29,873
Total Receipts:	104,629	144,853
Total Expenditures:	104,625	144,773
Balance	+24	+80

Revenues From and Expenditures On Selected Items

(thousand US dollars)

	1962	1963 (est.)
Revenue From:		
Import duties	10,034	8,565
Export duties	5,769	6,084
Benguela Railroad - share of profits	770	944
Ports, Railroads & Transport	10,173	11,142
Expenditures:		
Ordinary expenditure on Transport	10,173	11,142
Road Board & Road Furd	15,627	15,627

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II. The Republic of the Congo (Leopoldville)

The Congo has an area of about 900,000 square miles, about equal to the area of the United States east of the Mississippi River. The population is estimated to be about 14 million of which Europeans constitute roughly 1 percent.

The Congo is potentially a wealthy country. It possesses an eighth of the worlds known copper reserves, four-fifth of its located industrial diamonds and much of its cobalt. Most of the land is fertile and it is not over populated. The economy of the Congo is highly developed by African standards. The Belgians built an extensive infrastructure including an integrated railroad and river transportation system, a large and modern mining and mineral refining industry, a commercial agriculture and a well founded base of light industry. Despite three years of political turmoil since the country received its independence in June 1960, the Belgian-built economy has continued to function. A few big companies do most of the business and earn most of the foreign exchange.

The mineral wealth of the Congo is concentrated in Kasai and Katanga Provinces although some tin is mined in Kivu Province. Most of the mines and refineries are operated by the Union Miniere du Haut Katanga in Katanga Province. In 1960 Katanga received 44 million dollars from this company, a sum equal to about half of the budgetary income of the Congo during that year. In 1962 approximately US$ 250 million worth of minerals were shipped from the Katanga area and presumably the royalties from that revenue accrued to the Katangan government as the province had succeeded from the Republic at that time. The production of minerals in 1959-1962

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and the location of the principal producing areas are shown in Table 1. See Table 1*. It is noteable that production has remained fairly constant and in some cases has increased since independence. The rather sharp drop in tin production is due to the fact that the smaller mines are remote from the railroads and dependent upon truck transport to carry their production to the rail head. With the deterioration of the road net, largely due to a lack of maintenance and tribal warfare in the producing areas, some of the mines have ceased production. Coal production in the Congo 1960 was only 195 thousand tons all of which is used domestically by the railroads and the cement plants.

Before independence about a third of the Congo's foreign exchange was earned by agricultural products, chiefly palm oil, coffee and cotton. Most of the larger plantations are owned by Europeans while the smaller plantations and farms are owned by Congolese. The large plantations are self sufficient and maintain their own roads, schools and medical facilities. Moreover, most of these are located along the major rivers which have continued to provide an export route for production. As a consequence the large plantations have managed to maintain production at pre-independence levels but the smaller farms are out of production for lack of European assistance and trading facilities.

The production of selected agricultural products and the location of the principal producing areas is shown in the following table:

* Page 115, below.

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Production of Selected Agricultural Products and Location of Principal Producting Areas in the Republic of the Congo 1959-1961

(short tons)

Product	Location of Producing Area	Production 1959	1960	1961
Coffee	Equator, Orientale and Kasai Provinces	59,300	66,900	66,140
Cotton	Equator, Orientale, Kasai and Katanga Provinces	54,000	60,140	41,880
Palm oil	Leopoldville, Equator and Orientale Provinces	248,128	270,280	264,550
Rubber	Equator and Orientale Provinces		44,200	39,240

During the first year of independence, exports of agricultural products declined sharply as shown in the following table.

Exports of Selected Agricultural Products
Republic of the Congo 1959-1960
(short tons)

	1959	1960
Coffee	101,000	66,580
Cotton	55,115	45,745
Palm oil	202,710	184,300
Rubber	44,310	38,600

Reliable data for exports in more recent years is not available but it is reported that smuggling, increasingly widespread since 1959, has become a major drain on the foreign exchange earnings from agriculture. Corrupt and inefficient customs officials allowed most of the 1962 coffee crop and much of the cotton crop to be smuggled out of the country.

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Table 1

Production of Minerals and Metals and Location of Producing Areas in the Republic of the Congo 1959 - 1962

(short tons except as noted)

Mineral or Metal	Producing Area	Production 1959	1960	1961	1962
Copper - (smelted)	Katanga Province - Elisabethville south to border of Northern Rhodesia	310,955	333,175	325,400	325,178
Cobalt - (in concentrates)	Elisabethville area Katanga Province	9,294	9,063	9,259	N.A
Tin - (in concentrates)	Elisabethville, Central Katanga Province and Kiru Province	11,028	10,680	7,884	8,060
Manganese - (ore concentrate)	Southwestern Katanga Province	425,694	412,154	344,185	337,868
Zinc - (in concentrates)	Elisabethville area, Katanga Province	77,130	120,352	109,692	183,073
Zinc - (smelted)	Elisabethville area, Katanga Province	60,418	58,817	62,799	N.A
Gold a/	Northeastern Orientale Province	347,965	316,195	232,611	N.A
Diamonds b/	Kasai Province				
Industrials			13,040	17,738	14,393
Gem stones			413	405	263

a. Troy ounces.
b. 1,000 karats

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Part III. The Federation of Rhodesia and Nyasaland

The Federation includes three territories: Northern Rhodesia and Nyasaland, British protectorates likely to get complete independence in the near future; and Southern Rhodesia, a self-governing colony since 1923. The total population of about 9.5 million is growing at an annual rate of 3 percent in Nyasaland and 2.5 percent in the Rhodesias. Landlocked, and mainly a plateau area, the Federation is 486,109 square miles in area, roughly one-half the size of the United States east of the Mississippi. It possesses a generally mild climate suitable for many types of agriculture, and is largely self-sufficient in food production.

Southern Rhodesia, the most economically advanced of the three territories, has a growing and diversified manufacturing sector, a well-developed and efficient European agricultural sector which produces corn and tobacco for export, and a relatively small but growing mineral industry. Southern Rhodesia serves as the commercial, manufacturing, and financial hub of the Federation, deriving much of its income from such services to the other territories. In addition, around 30 percent of its manufactured goods are sold to Northern Rhodesia and Nyasaland. Salisbury, the capital of Southern Rhodesia and also of the Federation, and Bulawayo are the major transport and communications centers of the Federation and are also the only two cities with population in excess of 100,000.

Northern Rhodesia, the richest and least densely populated area of the Federation, is still almost a one-product economy. Its copper mining and refining industries provide nearly one-half of the Net Domestic Product of the territory; almost

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one-half of the wage earning Africans in Northern Rhodesia work in the Copper Belt --a narrow 200-mile long area running northwest from Luanshya in Northern Rhodesia into Katanga.

Nyasaland is the smallest, poorest, and most densely populated of the Federation territories. Its chief sources of foreign exchange earnings are tea and tobacco exports, and migrant workers who go to the two Rhodesias and into South Africa. Remittances for the services of these workers form a significant share of Nyasaland's Net Domestic Product--nearly 10 percent in 1957.

The economies of the Federation components are complementary in that Southern Rhodesia supplies services and manufactured goods to the others, Northern Rhodesia supplies much of the trade surplus and attracts much of the foreign capital entering the Federation, and Nyasaland supplies labor and some foodstuffs for the other two. With the advent of independence, the Federation is expected to dissolve. Retention of economic ties, at least between Southern Rhodesia and the other two regions, is not certain. Although Nyasaland would be adversely affected, Southern Rhodesia itself would experience the most serious repercussions from a dissolution of economic bonds with its present federal partners.

The creation of the Federation in 1953 is said to have resulted in a certain saving in administrative costs and to have enhanced the credit-worthiness of the area in terms of attracting foreign capital. To the extent that these advantages may have developed, dissolution of the Federal structure will result in additional costs to the component countries. The national airline -- Central African Airways

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-- the railroads, foreign commerce, defense, banking and currency, posts and telegraphs, and the interterritorial road system are all the present responsibility of the Federal government.

After experiencing a relatively rapid rate of growth in the 1950's, the economy of the Federation is currently rather stagnant. The drop in copper prices since 1957, the slackening pace of investment and construction following completion of the first stage of the great Kariba dam, and the general loss of confidence in the political future have acted as dampers on economic growth.

The high rate of European immigration that prevailed from 1953 to 1958 slowed down so markedly that by 1961-1962 it turned into a net emigration. This trend is expected to continue, at least until the future policies of the new African governments become clear. The European segment of the population is small -- about three percent of the total -- and accounts for an enormous share of the investment and production of the Federation. To illustrate: Gross Domestic Product attributable to non-African agriculture in 1961 amounted to $149 million or about 47 percent of total agricultural output. The non-African share of total wages and salaries in the same year was 60 percent. In addition, nearly all technical and managerial personnel in mining, manufacturing, and large service institutions are Europeans. Thus any series of events leading to the exodus or immobilization of this small segment of the population would have proportionally great effects on the functioning of the Federation's monetary economy.

At the same time, a large majority of the African population probably could

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feed itself and survive even if a total disruption of the monetary economy should occur. Nearly 80 percent of the economically active population is engaged in agriculture, and almost one-fifth of Gross Domestic Product is derived from the production of African rural households for their own consumption.

Nevertheless, economic disruption would have severe effects on the Africans too: about one million are employed in the monetary economy and many are migrant laborers who might be forced to return to already overcrowded "tribal" areas. The extent of labor migrations among the Federal territories and neighboring countries is illustrated by the following employment statistics for 1956.

	(in thousands)
In Northern Rhodesia	217.8 Northern Rhodesians
	2.2 Southern Rhodesians
	20.7 Nyasas
In Southern Rhodesia	42.3 Northern Rhodesians
	300.2 Southern Rhodesians
	132.6 Nyasas
	125.2 Portuguese Africans, mostly Mozambicans

Nyasas abroad totalled 200,000. Of this number, 20,700 were working in Northern Rhodesia, 132,600 in Southern Rhodesia, about 40,000 in the Union of South Africa, and 4,000 in Tanganyika.

Although unemployment has increased, African employment for the past three years has remained fairly steady and has been distributed as follows: about 32 percent in agriculture, mainly on European farms, and about 3 percent in transport and communications. In the component territories, it has been as follows:

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Total Employment		Percent in Agriculture	Percent in Transportation and Communications
Federation			
1960	1,045,000	32	3
1961	1,009,000	32	3
1962	1,000,000 est.	32 (est.)	3 (est.)
Southern Rhodesia			
1960	647,000	37	3
1961	624,000	38	3
1962	610,000 est.	38 (est.)	3 (est.)
Northern Rhodesia			
1960	246,000	15	4
1961	238,000	16	4
1962	230,000 est.	17 (est.)	4 (est.)
Nyasaland			
1960	152,000	39	4
1961	147,000	39	4
1962	134,000 est.	40 (est.)	4 (est.)

During the same period, a fairly constant 10 percent of the non-Africans were working in the transport and communications industries.

Investment in transport, storage, and communications has accounted for an average of 9 percent of gross domestic capital formation by use in the period, 1958-60. From 1958 through 1961, transport and communications have accounted for about 7 percent of Gross Domestic Product -- $80.6 million in 1958 and $106.4 million in 1961.

The economy of the Federation is highly dependent on foreign trade. Exports usually account for about 40 percent of Gross Domestic Product. Copper, tobacco, asbestos, corn, tea, and chrome ore together account for over 80 percent of total

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exports. Copper, the leading product of Northern Rhodesia and the Federation as a whole, accounts for more than 50 percent of all export earnings.

A very large share of the exports of the Federation are primary products, but it is more fortunate than many similar economies in that it exports both mineral and agricultural commodities and is thus not quite as vulnerable to price fluctuations for single products. The mineral industry is the most dominant in the economy of the Federation, though this is not the case for each territory.* In 1961, this industry consumed about one-third of the available coal and coke, paid around one-half of the direct taxes levied by the government, provided for more than one-half of the railroad freight tonnage, consumed about two-thirds of the electricity produced, and accounted for approximately two-thirds of the total value of exports.

For the period, 1954-62, the copper industry alone accounted for between 30 and 55 percent of the Net Domestic Product of Northern Rhodesia, and for between 10 and 24 percent of the Net Domestic Product of the whole Federation; in 1962, these proportions were 44 and 16 percent respectively. Statistical tables on mineral production and exports by volume and value are shown in Tables 2 and 3 below.

Most of the minerals produced, with the exception of Southern Rhodesian coal, are exported. Southern Rhodesian industry is beginning to consume a small share of minerals produced, especially iron ore; nearly all of the coal mined is consumed domestically by the copper refineries, the railroads, and the electric power plants.

* See Table 1 below for notes on the location and concentration of commerce, mining, industry and agricultural cash crops.

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Nyasaland, which currently produces no minerals, and Southern Rhodesia generate most of the agricultural exports of the Federation; tea and some tobacco are grown in Nyasaland, whereas most of the tobacco, meats, and corn exported are produced in Southern Rhodesia.

The Federation's major trading partner for many years has been the United Kingdom which buys over 40 percent of its exports and sells the Federation around one-third of its imports. The Republic of South Africa is the second most important trading partner of the Federation, accounting for about one-third of imports but only 6-8 percent of Federation exports. The principal commodities exchanged in their order of importance are general goods, minerals and iron and steel. Trade with other African countries is minimal, the most important "commodity" being migrant labor. Data showing major trading partners by value, the value of total imports and exports, and major export and import commodities, by volume and value are shown in Tables 2, 4 and 5 below. Until a change in trade arrangements was effected in the late 1950's, South Africa was a more important trading partner than it is now; between 1950 and 1957, it accounted for slightly more than one-fourth of the Federation's total trade. Exports to the Republic of Congo have risen since the 1960 disturbances in that country but still do not account for more than 2 percent of the Federation's exports or one percent of its imports.

The Federation's imports have been declining since 1959 and in 1962 dropped still further. Thus, despite a very unsettled chrome market and a reduction in sales of copper, the Federation has experienced a favorable balance of trade over the

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last few years. Machinery and transport equipment constitute the largest category of imports; this also holds true for imports from the United States. About one-half of the copper exports are sent to the United Kingdom as are most of the Federation's tea exports. The United States has been the major buyer of chrome ore, although Rhodesian chrome is now suffering from competition from Russian chrome in this market. In addition to sales to the United Kingdom, a substantial portion of the food exports of the Federation, especially corn, are sold to neighboring countries -- Bechuanaland, Tanganyika, the Republic of the Congo.

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Table 1

Location and Concentration of Commerce, Mining, Industry and Agricultural Cash Crops

	Notes
Coal	Found in several places in Northern and Southern Rhodesia. Produced only at Wankie (2 collieries) in Southern Rhodesia. Production declining with dieselization of the railroads and the decreasing number of thermal electric plants as Kariba production increases. About 12 percent of coal raised is exported.
Copper	Mined in Southern Rhodesia in the area around Sinoia; in Northern Rhodesia in the copperbelt. Mines are mainly along the road from Luanshya to Bancroft.
Cobalt	Found at Chibuluma and Nkana mines in the copperbelt.
Uranium	Found at Khana.
Lead, Zinc, and Manganese	Found at Broken Hill, Northern Rhodesia.
Asbestos	Southern Rhodesia, mainly in a belt running NE-SW from north of Gwanda to Fort Victoria.
Chrome	Mined near Kildonan, Gwelo, and Fort Victoria.
Iron	Found at Redcliff near Que Que in Southern Rhodesia.
Tea	Most is grown in Nyasaland in the Mlanje-Cholo area.
European Agriculture	In Northern Rhodesia mainly along the rail line; in Southern Rhodesia, cultivation is dispersed but generally concentrated along the Salisbury-Bulawayo axis.
Industrial and Commercial Centres:	
Salisbury, Southern Rhodesia	Capital of the Federation. Industries include food, beverages and tobacco, clothing, steel, concrete and asbestos. Population of more than 250,000 contains more than one-fourth of all Europeans resident in the Federation.
Bulawayo, Southern Rhodesia	Principal industrial and commercial centre of the Federation; main communication junction (for rail, roads and air). Industries include steelworks, tires, asbestos, cement, concrete, food, clothing, steel rolling and fabricating facilities.
Lusaka, Northern Rhodesia	Capital of Northern Rhodesia. Industries include fertilizer, construction materials, and grain storage.
Ndola, Northern Rhodesia	Main commercial and industrial city of the Northern Rhodesia area; main distributive center for the copperbelt. Factories produce mining equipment, sheet metal products, refined sugar, copper and special steels.

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Table 2

Value and Tonnage of Selected Exports, Federation of Rhodesia and Nyasaland, 1961 - 1962

	1961			1962		
	Volume (Thousand tons)	Value (Million $US)	Value per ton (US Dollars)	Volume (Thousand tons)	Value (Million $US)	Value per ton (US Dollars)
Value and Tonnages of Selected Mineral Exports						
Copper [a] - (3/4 refined) (1/4 blister)	610	313.6	514.10	601	310.8	517.14
Zinc [a] - (metal)	28	5.3	189.28	46	6.7	145.65
Lead [a] - (metal)	12	2.	166.67	16	2.0	125.00
Cobalt [a] - (metal alloys)	.6	1.7	2,833.34	1	3.1	3,100.00
Manganese [a] - (Concentrates)	47	1.4	29.79	51	1.4	27.41
Asbestos [b] - (bag fibers)	134	23.5	175.37	145	21.3	146.90
Chrome ore [b] - (Concentrates)	476	8.4	17.65	432	7.3	16.90
Value and Tonnages of Major Agricultural Exports						
Tea [c]	15	12.3	820.00	14	10.1	721.43
Tobacco [b]	105	117.6	1,120.00	108	114.8	1,062.96
Corn [b]	311	12.6	40.51	450	17.6	39.11
Peanuts [c]	26	4.2	161.54	45	6.7	148.89
Meats [b]	16	9.2	575.00	16	10.1	631.25

a/ Originates mostly in Northern Rhodesia. In addition, 787 thousand tons of high bulk-low value copper concentrate were exported from Northern Rhodesia for which the value is not available.
b/ Originates mostly in Southern Rhodesia.
c/ Originates mostly in Nyasaland.

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Table 3

Mineral Production, Federation of Rhodesia and Nyasaland, 1958-62

(in thousand short tons)

	Total Federation	Total Northern Rhodesia	Total * Southern Rhodesia	Southern Rhodesia Coal
1958	93,570	68,238	25,332	3,897
1959	143,968	118,965	25,003	4,143
1960	154,772	128,392	26,380	3,923
1961	148,717	121,501	27,216	3,387
1962	142,505	117,416	25,089	3,115

* Including coal.

Table 4

Federation of Rhodesia and Nyasaland, Total Imports and Exports, 1958-62

(in million US$)

	Exports	Imports
1958	380	441
1960	577	439
1961	580	434
1962	586	400

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Table 5

Federation of Rhodesia and Nyasaland, Major Trading Partners and Trade with Neighbors, 1958-62

	Percent of Total Exports to					
	United Kingdom	South Africa	Congo (Leo)	Portuguese Africa	Kenya	Tanganyika
1958	48	10	1	1	Neg.	Neg.
1960	44	8	1	Neg.	Neg.	Neg.
1961	47	8	2	Neg.	0.6	Neg.
1962	42	8	2	Neg.	Neg.	Neg.

	Percent of Total Imports from					
	United Kingdom	South Africa	Congo (Leo)	Portuguese Africa	Kenya	Tanganyika
1958	37	32	1	1	Neg.	Neg.
1960	33	33	1	1	Neg.	Neg.
1961	33	31	1	1	Neg.	Neg.
1962	33	30	1	1	Neg.	Neg.

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IV. Mozambique

Mozambique, with an area of approximately 297,700 square miles, is the second largest overseas province of Portugal and has the largest number of Portuguese inhabitants outside of Metropolitan Portugal. Africans comprise about 97 percent of the 6.6 million population, Europeans 1½ percent, and Asians (including Indians*) 1½ percent.

The economy of Mozambique is basically agricultural and is one of the least developed in central and southern Africa. Climate, topography and transportation are such that many parts of the country are inaccessible during the rainy season or accessible only by air. As a result, exploitation of mineral resources and establishment of local industries are seriously impeded. Some 600,000 Africans, less than 10 percent of the total population, are thought to be incorporated in the monetary economy. Somewhat more than two million people comprise the economically active population; of this total, well over three-fourths are engaged in agriculture, which is by far the dominant sector of the economy.

Export crops are raised mainly on Portuguese-owned plantations, some of which were brought under Portuguese government control as late as 1942. This plantation economy is based on cheap labor and depends on subsidized prices and protected markets. The main export crops are cotton, sugar, tea, sisal, copra, and cashew nuts. Food crops for local consumption include corn, rice, peanuts, beans and bananas. Mozambique

* After India occupied Goa, all the Indians were deported from Mozambique.

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appears to be largely self-sufficient in food production, but imports relatively small quantities of flour and rice.

Coal is the most important mineral product of Mozambique. Mined at Tete, output does not meet domestic consumption requirements. Coal production during 1959-1962 was as follows:

Short Tons

1959	1960	1961	1962
282,870	297,210	353,840	385,800

Gold, graphite, iron ore, and radioactive minerals are produced and exported, but in relatively small quantities.

Industry in Mozambique is mostly concerned with processing locally produced materials such as sugar, cotton, tobacco, and asbestos. Timber is produced in quantities sufficient for local needs and is exported to Rhodesia and Nyasaland, and to the Republic of South Africa.

Apart from coal, Mozambique imports manufactured and semi-manufactured goods including textiles, railroad materials, agricultural and industrial machinery, iron and steel, motor vehicles, gasoline, hardware and footwear. As in Angola, duties on imports from Portugal are lower than those from other suppliers by as much as 50 percent.

Mozambique consistently runs a deficit in her balance of trade, as is illustrated by the table below.

(in million US dollars)

	1958	1959	1960
Imports	119	122	127
Exports	76	78	73
Balance	-43	-44	-54

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Six agricultural commodities account for 66 percent of total export earnings in 1962. The production and export of these commodities are shown in Table 1.*

The most recent data on Mozambique's trade with countries in southern Africa indicate a substantial imbalance.

Trade With Countries in Southern Africa[a]

(in Million US dollars)

Country	1961 Exports	1961 Imports	1960 Exports	1960 Imports
South Africa	3.2	14.2	7.0	18.6
Angola	1.4	2.4	0.6	2.6
Federation of Rhodesia & Nyasaland	3.8	2.0	2.4	2.4

a/ January-June at annual rates.

Trade with African countries comprises less than one-fifth of Mozambique's total trade. Her single largest trading partner is Portugal; the common market countries provide some 8 percent of her imports and buy around 20 percent of her exports, the United States accounts for about 6 percent of both imports and exports, and the United Kingdom for some 14 percent of Mozambique's imports and 8 percent of her exports.

One of the most important revenue producing "exports" of Mozambique is the movement of laborers to South Africa and the Federation of Rhodesia and Nyasaland. A contractual arrangement between the Government of Mozambique and the Republic of South Africa provides up to 90,000 Mozambicans for gold and coal mines on the Rand in return for routing via the port of Lourenco Marques about 50 percent of the seaborne traffic destined for the Transvaal-Swaziland area.

* Page 131 below.

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Table 1

Production and Export of Selected Agricultural Commodities

Mozambique, 1961-1962

Commodity	Production (Short Tons)		Export (Short Tons)		Value of Exports (Million US Dollars)	
	1961*	1962**	1961*	1962**	1961*	1962**
Cotton	124,835	138,559	34,725	28,848	20.36	17.48
Sugar	102,903	209,437	N.A.	133,119	11.20	11.00
Cashew Nuts	99,207	99,207	82,415	78,160	8.58	7.58
Copra	88,184	88,184	59,859	54,727	8.41	6.61
Tea	8,564	11,240	10,680	10,518	8.12	5,89
Sisal	N.A.	N.A.	N.A.	N.A.	5.58	5.33

* Calendar year.

** January-November 1962

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V. Republic of South Africa

A. General

South Africa consists in the main of a narrow coastal strip near sea level, with a high interior table land separated from the coastal strip by mountains which rise from a mile to almost two miles in height. The climate is relatively dry, but in the Transvaal and Orange Free State, seasonal rainfall in the summer occasionally is so heavy as to cause flash floods. There are extensive areas of poor soil with very little vegetation. The few rivers, none navigable, provide main supplies of water, but a shortage of water is frequently a threat to the economy.

The Republic of South Africa possesses the most developed economy in the entire continent: it has the largest industrial establishment, the highest per capita income, and the greatest degree of urbanization. Nevertheless, this developed and highly integrated economy is vulnerable to a disruption of its essential domestic and foreign transportation links.

Internally, reliable long distance transportation is vital in linking widely separated industrial, agricultural, and commercial centers. Externally, an estimated 15 to 20 percent by volume of South Africa's commodity trade moves by way of foreign railways and ports. Most of this tonnage goes through the port of Lourenco Marques, which handles a large part of the external traffic of the

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northeastern region.

Although a significant part of South Africa's external trade transits Mozambique, only a minor and declining portion of its total trade by value is carried on with other African countries. Most of the Republic's commerce is with Western developed countries; the United Kingdom and the United States together account for 40 percent. These two countries plus those in the European Common Market supply two-thirds of South Africa's imports and purchase well over one-half of its exports.

The Republic usually runs a deficit on merchandise account. This, however, is more than offset by heavy sales of gold, which provide between 30 and 40 percent of total export earnings. As a result, the favorable balance in its current trade account is sizeable.

The diversified and substantial output of its industry and agriculture enables South Africa to satisfy much of its internal demand. Nevertheless, it must import many products, some of which are critical in nature. As in other developed countries, industrial growth requires the acquisition of some types of specialized machinery and equipment from abroad. On a more elementary level, South Africa is completely dependent upon foreign sources for crude oil and aviation gasoline.

B. Population and Labor Force

The population of South and South-West Africa is usually divided into four main groups: White, Colored, Asian, and Bantu. South Africa has by far the largest white population on the continent -- almost one-fifth of the 15.8 million

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reported in the 1960 population census. The percentages of other groups were: Bantu, nearly 70; Colored, nearly 10; Asian, about 3. In South-West Africa, the total population was about 525,000 of which the Bantu accounted for 80 percent, the Whites for 15 percent and the Colored for 5 percent.

South Africa has a number of large cities: the population of Johannesburg numbers 1.1 million; Cape Town, 730 thousand; Durban, 655 thousand; Pretoria, 415 thousand; Port Elizabeth, 270 thousand; Germiston, 205 thousand. These and other urban areas contain more than 40 percent of South Africa's population. The greatest concentration of Whites is in Johannesburg, but Pretoria has the highest ratio of Whites, roughly 50 percent. The country is divided into four provinces: Natal, the most densely populated; Transvaal; The Orange Free State; and The Cape. In addition, South-West Africa, a League of Nations Mandated Territory, is now administered virtually as a fifth Province.

The population of these provinces, as recorded in the 1960 census, was as follows:

	Total population (in millions)	Non-whites as a percent of total
The Cape	5.3	81
Natal	2.9	88
Transvaal	6.2	77
The Orange Free State	1.4	80

The 1951 census of the economically active population showed that Whites made up 21 percent and Bantu 68 percent. The number active in various sectors

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and the proportion of this number consisting of Bantu is shown below.

Economic sector	Number active (in millions)	Bantu as a percent of number active
All sectors	4.6	68
Agriculture, forestry, and fishing	1.5	83
Mining	0.5	88
Manufacturing	0.5	45
Commerce	0.3	31
Transport, storage, and communication	0.2	36
Other	1.6	69

The Bantu population is about equally distributed among those working in urban areas, those working on rural farms owned by Whites, and those residing on Native Reserves that are not economically self-sufficient and are now considered to be overpopulated. It is the policy of the South African Government to reduce the ratio of Bantu to Whites in urban and industrial areas, and to return many Bantu to the Reserves. Industry is being encouraged to locate on the borders of the Reserves in order to provide employment for the returnees. A recent survey, however, indicates that about half of the Bantu now working in urban areas have long resided in the cities and consequently have lost all land rights in the Reserves. In addition, the wage earnings of most urban Bantu households are at or below the minimum subsistence level. Thus, any significant decrease in the level of employment is apt to cause great hardship and consequent unrest among this segment of the population. In the 1960-62 recession, unemployment

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among both the Bantu and the Whites increased. The recovery, fully underway by late 1962, seems to have reduced the level of unemployment, but at the expense of "foreign" workers from Mozambique, the Federation, and the High Commission Territories. It is government policy to reduce the number of these migrant workers, except in the gold fields. These migrants form a substantial part of the labor force in South A Africa's mines; in 1957, for example, they outnumbered native South Africans 2 to 1 in the gold and coal mines.

C. Economic Sectors

The National Income of the Republic of South Africa has doubled in the past decade. Output in manufacturing increased faster than in agriculture and mining as the economy became more diversified. Now, with the exception of a few imported commodities, it has become a self-sufficient and well integrated economy. The shares of Net Domestic Product as shown below have remained fairly constant for the last three years.

Net Domestic Product for Selected Sectors, 1961/62

(in billion US dollars)

	Value	Percent of Total
Total	7.01	100
Private manufacturing	1.69	24
Mining	0.94	13
Of which: gold	(0.72)	(10)
Trade	0.88	13
Agriculture	0.75	11
Transport	0.56	8
Of which: Rails & Harbours	(0.47)	(7)
Private Transport	(0.09)	(1)

An atmosphere of growing tension over nationalist activity and the

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possibilities of repeated sabotage and violence is reflected in the 1963/64 budget. The most outstanding feature is a further increase in defense expenditure -- up 28 percent from 1962/63 and now equal to nearly 13 percent of the total budget. The Police budget, which is not included in the defense budget, is greater for 1963/64 than total allocations for Bantu Administration and Development.

For the economically active Bantu, agriculture is the most important occupation. It is almost the only activity in the Reserves and employs about 40 percent of all working Bantu. The most important single crop is corn; yields are usually sufficient to provide a surplus for export. In recent years, corn surpluses have become burdensome. About one-third of the white-owned farms raise corn. European farmers produce nearly 85 percent of the total crop, while nearly all the rest is grown by Africans who work subsistence plots on white-owned farms.

The main areas in which the principal crops are grown are shown below.

Crop	Area
Corn	Transvaal, Cape, Natal, Orange Free State
Wheat	Cape (southwestern region)
Sugar	Natal (coast), Zululand
Fruit	Cape
Tabacco	Transvaal (Rustenburg area)

Wool, which accounts for nearly 17 percent of total exports by value, is the largest single agricultural export and the second most important in the

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whole economy. Some 65 percent is produced in Cape Province, and about one-fifth in the Orange Free State. Cape Province also leads in numbers of cattle, and is by far the most important province in terms of agricultural output.

Although it employs fewer people than agriculture, mining is of great importance to the South African economy. Gold is the single largest export, and the most important mineral in terms of its contribution to national income. Statistics on the production and export of gold and other minerals may be found in the Appendix. Most of the "foreign" workers in the Republic are employed in the mining industry, usually under short-term contracts.

Private manufacturing is the fastest growing and most important sector in the South African economy; nearly every major form of industry is represented. Industrial production is concentrated in four areas: (a) southern Transvaal, (b) Durban - Pinetown, (c) western Cape, (d) Port Elizabeth - Uitenhage. In 1956/57, they accounted for 41, 16, 13 and 5 percent respectively of industrial output. Over half of the metal working and engineering industry is located in the Transvaal; industries in Durban and Pinetown include chemical, paint, paper, and pulp factories, sugar refineries, hardware and furniture plants; western Cape specializes in clothing, textiles, canning and food processing, distilling, printing and boat-building. Port Elizabeth-Uitenhage specializes in footware, automotive assembly, tyres, and wood-processing.

There are three oil refineries in the Republic, none of which produce aviation gasoline: one is located at Sasolburg, and produces oil from coal; the

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others are in Durban and Boksburg. Total input in 1962 amounted to 476 million imperial gallons of crude oil.

Transportation in the Republic of South Africa is characterized by the fact that its principal industrial area -- Witwatersrand, in the Transvaal -- is located far from the ports, from the major livestock areas and from other industrial centers. In these circumstances the railroad network is the primary means for moving bulk traffic. Consequently, investment in transportation has formed a large share of public investment in the last decade.

Average Annual Public Development Expenditure by Sector, 1946/47 - 1956/57

Sector	Percent of total
Transportation facilities	40
Agriculture	14
Education and Social Services	14
Industry	8
Communications	9
Other	15

Total investment in motor roads and bridges outside of urban areas is estimated at about $1.05 billion. National expenditure, however, has been devoted primarily to constant expansion and improvement of the railroads.

D. Foreign Trade

The United States and the United Kingdom together account for more than 40 percent of South Africa's foreign trade and about 70 percent of total foreign investment. The Federation of Rhodesia and Nyasaland has been an important outlet

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in the past, but recent increases in Federation tariffs on manufactures and semi-manufactures have significantly reduced South African sales in this market. The following tabulation gives a comparison of shares of South African import and export for 1959-61/

South African Foreign Trade

(in billion US dollars)

	Imports			Exports		
	1959	1960	1961	1959	1960	1961
Total World	1.4	1.6	1.4	1.2	1.2	1.3
Percentage with:						
United Kingdom	31	28	29	25	25	26
Common Market	18	19	20	21	24	21
U S A	17	19	18	8	6	7
Federation of R & N	2	3	3	12	12	10

In terms of value, the principal South African export is gold; other important export commodities include wool, diamonds (both cut and uncut), radio-active minerals, asbestos, machinery, and fruits. The major imports are wood and wood products, gasoline, motor vehicles and parts, and cotton textiles.

With respect to trade with the Federation of Rhodesia and Nyasaland and with the Congo, the following values were reported for 1961.

South Africa

		Imports from	Exports to	
Congo		$33,200,000		$9,600,000
consisting of:	Metals	5,600,000	Foodstuffs & Agr.	$4,500,000
	Minerals	26,200,000	Machinery & Mfg's.	700,000
Federation		$44,400,000		$135,000,000
consisting of:	Metals	20,000,000	Mfg. and machines	$60,600,000
	Minerals	4,600,000	Foodstuffs & Agr.	19,200,000
	Tobacco	3,900,000	Fibres	13,600,000

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Most of the traffic was handled overland, but owing to the high unit value of the commodities, the tonnage involved was relatively low.

E. Vulnerability of the South African Economy

South Africa is vulnerable to external economic pressure in at least three forms: (1) interdiction of rail links with Lourenco Marques; (2) denial of foreign sources of crude oil and aviation gasoline; and (3) institution of a general trade embargo by the UK and the US. Interdiction of rail links between the northeastern region and Lourenco Marques would require re-routing this large volume of traffic over railroads in Transvaal and Natal Provinces, thus greatly increasing the transport costs.

Imports of crude oil and aviation gasoline are essential to the domestic transportation system. Denial of crude oil to the Republic would shut down two of its refineries (the other converts coal to liquid hydrocarbon fuels). In addition to losses resulting from idle plants, South Africa would be forced to purchase, at a greater total import cost, the refinery products it could no longer produce itself. If no supplier could be found, the availability of fuel oil for industrial and railroad use and gasoline for motor transport would be sharply reduced. Cessation of aviation gasoline imports would force domestic air service, including police aircraft operations, to draw upon stocks already on hand. When such stocks were depleted, these services would cease.

Institution of a trade embargo by the UK and the US would have even more serious effects. At the very least, it would require the development of new export markets -- a feat that would require considerable time, if it could be accomplished.

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If a redirection of trade could not be accomplished, South Africa would lose nearly one-half of its export earnings and would have to do without about one-third of the goods now purchased abroad.

A collapse of this magnitude in its foreign commerce would seriously weaken its external financial position, curtail new foreign investment in South African industry, and lead to a deterioration of the economy. An embargo that could produce such effects, however, would exact a heavy toll from UK and US investors who presently account for an estimated 70 percent of total foreign investment in the Republic.

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Basutoland

A. General

Basutoland, the poorest of the High Commission Territories, is an enclave of about 11,716 square miles entirely surrounded by the Republic of South Africa. The western region is a continuation of the Orange Free State Plateau and has an average altitude of 5,000 feet. The eastern part is even higher with peaks in the Maluti mountains rising above 11,000 feet.

Basutoland is under the control of the British Colonial Office, and has a Legislative Council which makes laws for the territory; excepted are spheres such as defence and external affairs which are reserved for the British High Commissioner. The Basutoland Congress Party is pressing for early independence, although the territory may never be economically independent. The capital is at Maseru, 92 miles east of Bloemfontein, with which it is connected by rail.

B. Population and Agriculture

Basutoland depends mainly on peasant agriculture and on the export of labor to the Republic of South Africa. Taking into consideration the habitable areas only, Basutoland is the most densely populated area in South Africa, and all arable land is under cultivation. The European or white population consists mainly of government officials, missionaries, traders, and labor-recruiting agents. The 1956 census reported about 2,000 Europeans, over 600,000 Africans and nearly 900 other residents in the territory. The census also reported that more than 150,000 Basutos

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were working abroad; this migrant labor force is one of the greatest economic assets of the country. Remittances from the 100,000 to 150,000 Basutos working in the Republic of South Africa amount to about $2.8 million annually.

Land is held communally and there are no European landowners or settlers. The principal crops are corn, wheat, and sorghum. Other grains and vegetables also are grown. Animal husbandry is one of the most important economic occupations.

There are no forests, and no mineral production, but diamond prospecting is continuing and some stones have been found. A geological survey is being made, but development plans concentrate on the improvement of agriculture and livestock. In 1962, twelve small industrial establishments were being planned; the Basutoland Development Corporation is expected to supply the necessary capital.

C. Transport

A railroad, built by South African Railways, 16 miles long connects Maseru with the Bloemfontein - Natal line. Only one mile of this line lies within Basutoland. There are about 560 miles of gravel surfaced roads along the western border of the country. In addition, there are about 340 miles of lesser roads leading to trading stations and villages. The mountains of the interior are accessible only by jeep and pack animals, but air transport is becoming increasingly important. Basutoland has long been a refuge for defeated tribes and fugitives, and in recent years has given asylum to many fleeing from South Africa.

D. Trade and Finance

Basutoland customs are administered for the Territory by South Africa, which

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gives it .85575 percent of annual South African customs revenues. This amounts to nearly one-half of Basutoland's total revenues; domestic sources account for a relatively small share, sometimes as low as 10-15 percent. Revenues and expenditures in recent years are shown below. The annual deficit has been covered by United Kingdom grants-in-aid.

Revenues and Expenditures

(in thousand US dollars)

Fiscal Year	Revenues	Expenditures	Deficit
1959/60	5,812	6,554	742
1960/61	6,628	6,970	342
1961/62	5,599	8,971	3,372

South Africa provides nearly all of Basutoland's technical services and transportation, and is its most important trading partner. Imports and exports in thousand US dollars are shown below.

	Imports	Exports
1958	8,252	4,044
1959	8,103	4,626
1960	8,800	4,125

While the most important "export" by value is probably Basuto labor, commodity exports in 1960 included wool valued at two million dollars, mohair worth almost one million, cattle worth more than one-half a million, and peas valued at $147,045. Imports consisted mainly of blankets, ploughs, clothing, tin ware, and food stuffs. General merchandise imports in 1960 were valued at over six million dollars, corn at more than one million, wheat at $324,900, and sorghum at $44,300.

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About 220,000 square miles in area, much of it desert, Bechuanaland is the largest and most sparsely populated of the High Commission Territories. The 1956 census recorded a population of 320,000 of which 4,000 were Europeans and Asians. The country is a protectorate ruled through the British Commonwealth Relations Office, and administered by a Resident Commissioner, assisted by an Executive and a Legislative Council. Government headquarters are at Mafeking in the Republic of South Africa.

Most of the population is concentrated along the eastern and northwestern borders, and more than one-half live in villages of 1,000 or more inhabitants. Stock raising and agriculture occupy almost 90 percent of the population. The few African wage earners are employed mainly in trade and in the small processing industry. Wage earners in 1959 were distributed as follows:

Government services	2,500
Agriculture	3,000
Trade and industry	2,000
Domestic services	2,000
Construction	500

In addition, nearly 22,000 worked in the Republic of South Africa in 1959; their remittances totaled more than $800,000. By 1961, the number of these workers had risen to around 30,000.

Animal husbandry and dairying are the chief occupations of the Bechwanas; inasmuch as rainfall is low, the country is more pastoral than agricultural. Corn,

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sorghum, beans, pumpkins, and melons are grown, and in good years a considerable surplus has been available for export. Bechuanaland has a small mining industry, concentrated mainly in the Tati concession area where gold, some copper, and other base minerals are found. Asbestos is mined near Kanye; manganese also is mined in the southeastern part of the country.

Most bulk traffic is carried on the single track railroad, nearly 400 miles long, which passes through Bechuanaland parallel to the eastern border at an average distance of 50 miles inland. South African Railways administers and staffs that part of the line south of Mahalapye; the northern part is managed by the Rhodesian railway system. A through road, parallels the railroad, and branches connecting the rail line to points in the hinterland extend inland an average of some 40 miles.

Livestock, as well as meat and other animal products are the main exports of Bechuanaland. In 1960, these constituted 86 percent of total exports by value. The Republic of South Africa and the Federation of Rhodesia and Nyasaland are the chief markets for Bechuanaland's exports. As in the other High Commission Territories, customs are administered by South Africa which forwards .27622 percent of its total import and excise duties to Bechuanaland; in 1958/59 this amounted to over $700,000, or about 23 percent of total government revenues in Bechuanaland.

In 1960, imports totalled more than $9 million and exports amounted to $7.9 million. The main imports are grain, blankets, clothing, and foodstuffs: the chief exports, aside from meat and animal products, are asbestos and manganese.

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The value of major export and import categories for 1960 are shown below in thousands of US dollars.

Imports	
General merchandise	2,962
Vehicles	1,557
Textiles	1,366
Corn	1,223

Exports	
Carcasses	4,417
Hides and skins	947
Meat byproducts	772
Cattle	422
Asbestos	370
Manganese	198

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A. General

Of the High Commission Territories, Swaziland is the smallest, wealthiest, and the least dependent on South Africa. It is 6,700 square miles in area (about the size of Connecticut) and has a population of 270,000, of which only 3 to 4 percent are white. Swaziland is administered by the British Government through the Colonial Office and has recently been granted a constitution providing for internal self-government; however, no date has been set for implementing this provision. As in the other two territories, there is a considerable demand for independence.

B. The Economy

Swaziland's basic wealth lies in its rich and varied mineral deposits. Of these resources, asbestos is the most important; the Havelock mine in north-western Swaziland is one of the world's largest asbestos mines, providing almost 60 percent of the government's revenues from income taxes. The asbestos is moved by cable-car across the Transvaal to the railroad at Barberton. Very rich kaolin deposits also are present; several companies are planning to set up ceramics plants. Small quantities of tin are currently being mined, and there are encouraging prospects for the development of coal and iron mining. Iron ore deposits of very high quality are to be exploited in connection with a purchase agreement with Japan calling for deliveries in 1964. A $27 million rail line is being built to link the iron mines with Lourenco Marques, this line will be operated by the Mozambique railway system.

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result, trade statistics are incomplete. Principal imports are general merchandise, mining stores, construction materials, motor vehicles and spare parts. Total exports in 1960 amounted to about $12.5 million; the chief items were asbestos (32,026 short tons), slaughter stock, hides and skins, tobacco (480 short tons), seed cotton, rice, and sugar (36,500 short tons); asbestos alone accounts for nearly one-half of the territory's export earnings.

South Africa is probably Swaziland's most important customer, and a number of major products, including fruit, asbestos and sugar, are marketed through South African organizations. For its sugar purchases, South Africa offers an 80,000 ton quota at higher than world prices.

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Part VI. Tanganyika

Summary

The economy of Tanganyika is heavily dependent on foreign trade. About 40 percent of the money income is derived from exports, and 80 percent of the export earnings are from agriculture and livestock. Most agricultural exports are bulk products grown in remote and widely separated areas. These areas are served partially by road but mostly by rail. Important cotton growing areas are located along the southern shores of Lake Victoria and there are other cotton development plans located 100-200 miles inland from Dar es Salaam. The port of Tanga serves the coffee growing regions around Arusha and Moshi near the Kenya border and the sisal plantations along the Pangani River. Mtwara is the chief port for the soya and cashew crops grown in the Masasi-Lindi-Mtwara triangle.

General

Tanganyika covers an area of 341,150 square miles, roughly 30 percent larger than Texas. The land, however, is largely arid bush; more than 60 percent is rendered virtually useless by the endemic animal-killing -- and sometimes man-killing -- tsetse fly. Thus, much of the population is concentrated along the lower reaches of Lake Victoria, the upper shores of Lake Nyasa, and the northeast and southeast corners of the country along the Indian Ocean. There is also a relatively dense population belt along the Central Railroad, which connects Dar es Salaam with Mwanza, the capital of the Lake Province. Africans constitute 98 percent of the total population of 9.5 million; most of the remaining two percent consist of 22,000

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Europeans, 87,000 Indians and Pakistanis, and 25,000 Arabs.

Peasant farmers and semi-nomadic herdsmen form the largest part of the population; in 1962, less than 500,000 Africans, only five percent of the population, were listed as wage earners. Trade is dominated by Indians, Pakistanis, Goans, and Arabs; Europeans hold most of the administrative and technical positions, own the large agricultural estates, and are also active in business and industry.

Despite the disadvantages of land, climate, and insect pests, agriculture is the mainstay of the Tanganyika economy in both the monetary and subsistence sectors Agricultural and livestock products together account for about 80 percent of export earnings; mineral exports, while slowly increasing in importance, contribute less than 15 percent.

Although subsistence farming and marginal animal husbandry occupy a major portion of the populace, such activity has declined in importance. The subsistence sector, which accounted for about 80 percent of the Gross Domestic Product (GDP) in 1955, generated less than 65 percent in 1961. In absolute terms, output in the subsistence sector increased about 13 percent, while output in the monetary sector increased almost 40 percent between 1955 and 1961. The Gross Domestic Product for 1962 is estimated at $544.3 million, or 4 percent above 1961. Most of this increase was the result of higher wages and an improvement in earnings from certain export crops. The slight decline in mineral production, especially diamonds, was more than offset by the sale of larger tonnages of sisal and cotton at higher prices than in 1961.

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Foreign Trade

In 1962, Tanganyika recorded exports of $156.2 million and imports of $144.2 million in trade with all areas. Commerce with Kenya and Uganda, which are Tanganyika's partners in the East African Trade Zone, accounted for five percent of total exports and 23 percent of total imports.

The composition of Tanganyika's export trade is dominated by agricultural commodities, primarily sisal, cotton, and coffee. Mineral products, consisting almost entirely of diamonds and gold, represented only 12 percent of total exports in 1962. A decline in mineral exports below the 1961 level was wholly the result of a decision not to work the less profitable diamond mines. The major exports by tonnage and value are shown in Tables 1 and 2 below.

Import trade in 1962 was characterized by an increase in most consumer items coupled with major decreases in investment items such as farm tractors, railway track material, building material, and machinery for commercial establishments. The only investment item to show a significant increase was railroad rolling stock. For political reasons South African products were boycotted by important groups and imports from this source dropped to $1.2 million last year compared with $3.4 million in 1959. The major components of export trade by value and tonnage are included in attached tables.

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Table 1

Tanganyika: Principal Agricultural Exports a/
Selected Years, 1951-62

Year	Sisal		Cotton		Hulled Coffee		Cashew Nuts		Tea	
	1,000 Long Tons	$1,000	1,000 Long Tons	$1,000	1,000 Long Tons	$1,000	1,000 Long Tons	$1,000	1,000 Long Tons	$1,000
1951	142.2	66,180	8.3	7,750						
1955	173.7	27,877	20.4	15,495	18.4	19,312	18.2	2,433	1.7	1,498
1959	208.8	36,560	30.7	18,640	19.5	15,985	33.2	4,239	2.7	2,159
1960	207.2	43,238	38.9	24,716	25.1	20,513	36.7	5,953	3.2	3,223
1961	200.9	39,278	29.7	19,023	24.6	18,934	40.0	5,054	3.2	3,744
1962	219.5	44,080	32.6	20,700	25.7	18,410	59.0	6,538	3.9	4,514

Year	Peanuts		Castor Seed		Sunflower Seed	
	1,000 Long Tons	$1,000	1,000 Long Tons	$1,000	1,000 Long Tons	$1,000
1955	5.6	969	7.9	868	12.5	1,056
1959	12.1	2,198	14.2	1,725	5.7	479
1960	14.6	2,948	18.4	2,447	12.4	927
1961	3.4	650	10.7	1,537	10.7	935
1962	6.4	1,103	13.4	1,677	11.8	988

a. Excluding exports to Kenya and Uganda.

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Table 2

Tanganyika: Principal Mineral Exports a/
1958-62

Year	Diamonds		Gold		Lead Concentrates		Salt		Mica Sheets	
	1,000 Carats	$1,000	Troy Ounces	$1,000	Long Tons	$1,000	Long Tons	$1,000	Long Tons	$1,000
1958	515	12,362	56,299	1,974	13,501	2,881	8,707	249	48	143
1959	555	12,734	85,403	2,988	12,296	2,643	11,948	322	52	145
1960	538	12,547	98,024	3,444	13,530	2,833	12,745	344	81	218
1961	685	16,184	99,574	3,497	815	179	13,130	356	87	246
1962	647	15,190	101,597	3,556			9,859	305	97	258

Year	Silver		Tin Concentrates		Gypsum	
	Fine Ounces	$1,000	Long Tons	$1,000	Long Tons	$1,000
1958	18,552	16	26	36	9,212	62
1959	22,818	22	23	140	6,758	39
1960	23,039	22	198	288	4,350	28
1961	25,592	25	233	426	280	1
1962	23,725	25	295	520	1,975	11

a. Excluding exports to Kenya and Uganda.

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APPENDIX C

THE TRANSPORTATION OF THE AREA

I. ANGOLA

A. Transportation System

The transportation system of Angola is oriented in an east to west direction connecting the interior of the country with Atlantic Ocean ports. The principal Angolan ports, because of their proximity to the main ocean trade routes, provide an Atlantic coast outlet for Angola and for other countries of Central Africa. The absence of good north - south land transportation routes makes coastal traffic by sea one of the main avenues of domestic north - south transportation. A large portion of the traffic passing through Lobito, the principal port, is transit, consisting principally of mineral traffic from the Congo and Northern Rhodesia, but local exports and imports are increasing. The railroads and highways extend inland from the Atlantic ports and provide access to the agricultural and mineral areas of the interior. There is no developed inland waterway system in Angola. The principal waterways are coastal rivers extending only short distances inland and other navigable streams are remote from the centers of the economy and serve only as local transport arteries. Civil air transport serves a number of localities in Angola and also provides a scheduled service to Leopoldville in the Republic of the Congo. All public transport services are under the administration and control of the Department of Ports, Railways and Transport Services.

B. Railroads

The railroads are the backbone of the transportation system in Angola and consist of four unconnected basic routes, 1,786 miles in length, extending inland

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from Atlantic Ocean port terminals to agricultural and mineral areas in the interior. See Table 1*. In 1961 they carried 4.5 million tons of freight and almost 800 thousand passengers. See Table 2.** Two of these routes, the Luanda and the Mocamedes railroads, are government-owned, 3'6" gauge routes extending inland for 265 and 469 miles respectively. A third route, the Amboim Railroad, is privately owned. It is a 2' gauge route extending inland from the port of Amboim to Gabela, a distance of 76 miles, and is of slight importance, handling less than 40,000 tons of coffee and palm oil per year. The fourth route, the Benguela Railroad, is also privately owned and is the only international railroad route in Angola. It is by far the most important railroad in Angola and handles more than five times as much freight traffic as all the other Angolan railroads combined. For the purpose of this report, the Benguela Railroad is the only Angolan railroad which is studied in detail.

1. Benguela Railroad

The Benguela Railroad is a privately owned company. Ten percent of the company's stock is owned by the Portuguese government and ninety percent is owned by Tanganyika Concessions, Ltd., a British company which also operates the railroad. The head office of the company is in Lisbon, Portugal, but the African office for management of the railroad is located in Lobito, Angola.

The Benguela Railroad provides the Atlantic Ocean link in an extensive trans-Africa network of 3'6" gauge routes. It extends from the Atlantic Ocean port of Lobito eastward for 838 miles through Nova Lisboa, Silva Porto, Munhango and Vila Teixeria de Sousa to the border of the Republic of the Congo. At Dilolo

* Page 169 below.
** Page 170 below.

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on the Congo border, it connects with the Bas Congo - Katanga Railroad (BCK) which is also a part of the trans-Africa network of 3' 6" gauge routes linking Angola, the Republic of the Congo, the Federation of Rhodesia and Nyasaland, Mozambique and the Republic of South Africa. A 41-mile branch line runs south from the main line at Vila Robert Williams, 248 miles east of Lobito, to the principal iron ore deposits at Cuima. This line was opened to traffic on 9 August 1962. Prior to its opening, iron ore was carried by truck from the mines to Vila Robert Williams and thence by rail to Lobito for export to Europe.

The entire route of the Benguela Railroad is single track. Passing tracks with an estimated minimum length of 1,600 feet, are located at all stations along the route and the maximum distance between passing tracks is 17 miles. The manual block system of signaling is used to dispatch trains. Under this system, the stationmaster must obtain permission by telephone or telegraph from the next station in the direction of travel before permitting a train to enter a block. The maximum grade on the route is 2.5% and the maximum axle load is 14 short tons. There are 130 bridges and numerous culverts along the route. The longest bridge is 512 feet in length and is located about 14 miles east of Vila General Machado crossing the Cuanza River. This is a combined rail - road bridge of steel truss construction and may be considered a critical point in the railroad and highway routes. Other major bridges are the 340 foot bridge and the 380 foot bridge located 2 and 10 miles respectively from Benguela. There are no tunnels on the Benguela Railroad.

All main line locomotives are steam powered and the principal fuel used is wood which is obtained from tree farms located along the route and owned by the

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railroad, but it is believed also that a few steam locomotives have been converted to burn fuel oil. Water stations are spaced at 30 mile intervals along the route and are essential to the operation of the railroad. The main shops for the maintenance and repair of locomotives and rolling stock are located at Nova Lisboa. Power to operate these shops and also for the city of Nova Lisboa is provided by a hydro-electric plant using water from a dam which was built by the railroad company on the Cuando River about 30 miles from Nova Lisboa. The rolling stock consists of about 1,500 freight cars, over 50 percent of which are open gondola cars of 40-ton capacity.

The total staff employed by the Benguela Railroad in 1961 was 17,629. No late statistics are available regarding the color of the employees. However, during 1959, official reports listed 3,000 as senior and junior employees and 11,600 as "African" employees. If the term "African" as mentioned in reports connotes colored African employees, then almost 80 percent of the employees are colored. Should black African nationalism become a factor in the stability of Portuguese authority in Angola, the predominantly native railroad labor force could effectively disrupt railroad operations if there should be a desire to do so.

Freight traffic on the Benguela Railroad is increasing, but passenger traffic has declined rapidly during the past four years. Selected statistical data for the period 1958 through 1961 are presented in Table 2. See Table 2.* Westbound traffic is about five times as heavy as eastbound traffic and consists predominantly of mineral and ore traffic. In fact, mineral and ore traffic from Angola, Katanga and Rhodesia represents 28 - 30 percent of all tonnage handled by the railroad as reflected in the following table:

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Mineral and Ore Traffic

	1958		1959		1960		1961	
	Tons	% of total tons carried	Tons	% of total tons carried	Tons	% of total tons carried	Tons	% of total tons carried
Angola	217,273	7.0	270,866	9.0	484,887	12.0	419,565	11.0
Katanga	459,207	15.7	476,671	15.6	640,051	16.0	660,742	17.0
Rhodesia	52,050	1.3	90,255	3.0	69,594	2.0	22,850	.05
Totals	728,530	24.0	837,792	27.6	1,194,532	30.0	1,103,157	28.5

In terms of ton miles, mineral and ore traffic from Katanga and Rhodesia in transit through Angola amounted to 45.6 percent of the total traffic in 1960 and 35.6 percent in 1961. Assuming that revenue per ton mile on mineral traffic is equal to average revenue per ton mile, then revenues from Katanga and Rhodesia mineral traffic were also 45.6 and 35.6 percent in these years. It is apparent, therefore, that diversion of this transit traffic to another route would seriously impair the financial position of the Benguela Railroad.

The Benguela Railroad appears to be efficiently operated and fully adequate for the needs of the economy it serves and for the international traffic currently moving over the route. In fact, it is not intensively used. In 1961, traffic density on the route was only 1.2 million net ton miles per mile of route. By comparison, the Beira Railroad in Mozambique, which is also a single track, steam-operated railroad, had a traffic density more than twice as high or 2.5 million net ton miles per mile of route. This comparison suggests that the Benguela Railroad is operating at well below the capacity of the route although an investment in locomotives and rolling stock may be required to improve performance substantially.

The standard military formula for estimating the capacity of railroad routes for military traffic yields an estimate of about 1,800 tons per day for the one-way military capacity of the Benguela Railroad in either direction. However, analysis

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of statistical data indicates that at a ratio of 1 ton eastbound to 5 westbound, the railroad carried an average of 1,760 tons eastbound per day during 1961. Moreover, considering the fact that a large number of empty freight cars move eastbound to compensate for the heavy loaded movement in the opposite direction, the military estimate should be considered as a minimum capacity for military traffic.

There are no known inter-governmental agreements between Angola and the Congo pertaining to traffic or transportation. However, an agreement exists between the Benguela Railroad and the BCK in the Congo providing for the interchange of rolling stock between the two systems. Moreover, the BCK provides the Benguela Railroad with advance notice of the movement of mineral traffic so that adjustments can be made in the assignment of empty freight cars. Also freight cars of the Rhodesian railroads operate over the Benguela Railroad and are treated as BCK rolling stock.

C. Highways

The road network of Angola is underdeveloped and consists of about 22,000 miles of various classes of roads and tracks. For administrative purposes these classes are 1st, 2nd, 3rd, and unclassified. However, only about 100 miles of roads are paved with a thin coating of asphalt, and the standard of surfacing over the entire system varies considerably even along a single route. Most of the system has a dirt surface, and the entire system may be considered fair-weather system because various segments of any given route become impassable during the rainy season which lasts from November until May.

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Two main routes traverse the country from west to east, and these routes converge at Vila Teixeira de Sousa on the Congo border. At that point these routes connect with the Congo highway system. The northern route, 821 miles in length, originating at Luanda, has a military capacity of up to 4,000 short tons per day for the first 40 miles to Catete which is paved. However, other sections along the route have a capacity of only 500 short tons daily, thereby limiting through put capacity to the Congo border to 500 short tons per day. The southern route, 697 miles in length, which roughly parallels the Benguela Railroad, is also limited to about 550 short tons daily. Thus the two west - east highways are capable of delivering 1,050 short tons daily of military traffic from the ports of Luanda and Lobito to the Congo border. During the rainy season, this capacity may be reduced to zero for from 1 to 7 days at a time. In the event of a partial or complete disruption of railroad traffic in the Congo and in Rhodesia, these highways could conceivably handle an equal amount of commercial traffic in westbound transit through Angola. At the rate of 1,050 short tons daily, a total of about 190,000 tons of cargo could be carried during the six month period of fair weather, May to November,-- provided, of course, that a sufficient number of trucks are available. The policy of the government of Angola has been to restrict truck transportation that would compete with the railroads for traffic.

Highway transport of goods and passengers in Angola does not appear to be organized into large-scale commercial enterprises. Trucking rates are controlled by the government and they are increased, if necessary, when truck routes parallel the railroad routes. The government policy regarding truck transport is set forth

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in a government decree which states that the Port, Railroad and Transport Services are to propose means of protecting the railroads against competition from other means of transport, having in mind the capital investment of the State and the danger to this investment from "parasite" services serving the same region. Nevertheless, highway transport is the only means of transport in areas remote from the railroad. However, in the absence of a network of all-weather roads, it is doubtful that highway transport can play a significant role in international transport. Statistical data on the amount of freight carried by motor vehicle in Angola are not available. In 1962, the motor vehicle census was about 43,500 of which 12,000 were trucks and buses. Details of the size and capacity of trucks are not available but it is doubtful that the number of heavy duty trucks available for long distance transport of commercial cargo would be adequate to provide a significant substitute for railroad services.

D. Ports

The three principal ports serving Angola are Lobito, Luanda, and Mocamedes, located about 250 to 300 miles apart along the Angolan coast line. Cabinda, a small port on the coast of the Angolan enclave north of the Congo River, and Noqui, a small port on the Congo River, are of minor importance. Selected data on the operations at the three principal ports in Angola are shown in Table 3. See Table 3.*

1. Lobito

Lobito is the most important of the Angolan ports and is the western terminus of the Benguela Railroad, the only railroad connecting with any other system. It is located about midway between the northern and southern boundaries of the country. The harbor, which covers two square miles, is protected by a natural (sandspit) break-

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